

**REPORT
ON THE
COST REPORT REVIEW**

**ARROWHEAD REGIONAL MEDICAL CENTER
COLTON, CALIFORNIA
PROVIDER NUMBERS: HSC/ZZT 30245W
NPI: 1790781169, 1477623759**

**FISCAL PERIOD ENDED
JUNE 30, 2007**

**Audits Section—Rancho Cucamonga
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Julio M. Cueto
Audit Supervisor: Lucia Martinez
Auditor: Daniela Bitá Mocanu**



DAVID MAXWELL-JOLLY
Director

State of California—Health and Human Services Agency
Department of Health Care Services



ARNOLD SCHWARZENEGGER
Governor

NOV 17 2009

Arvind Oswald, Controller
Arrowhead Regional Medical Center
400 North Pepper Avenue
Colton, CA 92324-1819

PROVIDER: ARROWHEAD REGIONAL MEDICAL CENTER
PROVIDER NO. HSC 30245W
NPI: 1790781169
FISCAL PERIOD ENDED JUNE 30, 2007

We have examined the provider's Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the audited combined settlement for the fiscal period due the State in the amount of \$97,825, and the audited costs presented in the Summary of Findings represent a proper determination in accordance with the reimbursement principles of applicable programs.

In our opinion, the data presented in the Summary of Findings represents a proper determination of the allowable costs for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Findings
2. Computation of Medi Cal Reimbursement Settlement (NONCONTRACT Schedules)
3. Computation of Medi Cal Contract Cost (DESIG PUB HOSP Schedules)
4. Audit Adjustments Schedule

The audited settlement will be incorporated into a Statement(s) of Account Status, which may reflect tentative retroactive adjustment determinations, payments from the provider, and other financial transactions initiated by the Department. The Statement(s)

of Account Status will be forwarded to the provider by the State's fiscal intermediary. Instructions regarding payment will be included with the Statement(s) of Account Status.

Notwithstanding this audit report, overpayments to the provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

If you disagree with the decision of the Department, you may appeal by writing to:

Chief
Office of Administrative Appeals and Hearings
1029 J Street, Suite 200
Sacramento, CA 95814
(916) 322-5603

The written notice of disagreement must be received by the Department within 60 calendar days from the day you receive this letter. A copy of this notice should be sent to:

United States Postal Service (USPS)

Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
PO Box 997413
Sacramento, CA 95899-7413

Courier (UPS, FedEx, etc.)

Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
1501 Capitol Avenue, Suite 71.5001
Sacramento, CA 95814-5005
(916) 440-7700

The procedures that govern an appeal are contained in Welfare and Institutions Code, Section 14171, and California Code of Regulations, Title 22, Section 51016, et seq.

Arvind Oswald
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If you have questions regarding this report, you may call the Audits Section—Rancho Cucamonga at (909) 481-3420.

A handwritten signature in black ink, appearing to read 'Julio M. Cueto', with a long horizontal stroke extending to the right.

Julio M. Cueto, Chief
Audits Section—Rancho Cucamonga
Financial Audits Branch

Certified

SUMMARY OF FINDINGS

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

	SETTLEMENT	COST
1. Medi-Cal Noncontract Settlement (SCHEDULE 1) Provider No. ZZT 30245W		
Reported	\$ 660,621	
Net Change	\$ (660,621)	
Audited Amount Due Provider (State)	\$ 0	
2. Subprovider I (SCHEDULE 1-1) Provider No.		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
3. Subprovider II (SCHEDULE 1-2) Provider No.		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
4. Designated Public Hospital Cost (SCHEDULE 1) Provider No. HSC 30245W		
Reported		\$ 105,435,169
Net Change		\$ (19,251,705)
Audited Cost		\$ 86,183,465
Audited Amount Due Provider (State)	\$ (97,825)	
5. Distinct Part Nursing Facility (DPNF SCH 1) Provider No.		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
6. Distinct Part Nursing Facility (DPNF SCH 1-1) Provider No.		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
7. Adult Subacute (ADULT SUBACUTE SCH 1) Provider No.		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
8. Total Medi-Cal Settlement Due Provider (State) - (Lines 1 through 7)	\$ (97,825)	
9. Total Medi-Cal Cost		\$ 86,183,465

SUMMARY OF FINDINGS

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

	SETTLEMENT	COST
10. Subacute (SUBACUTE SCH 1-1)		
Provider No.		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
11. Rural Health Clinic (RHC SCH 1)		
Provider No.		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
12. Rural Health Clinic (RHC 95-210 SCH 1)		
Provider No.		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
13. Rural Health Clinic (RHC 95-210 SCH 1-1)		
Provider No.		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
14. County Medical Services Program (CMSP SCH 1)		
Provider No.		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
15. Transitional Care (TC SCH 1)		
Provider No.		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
16. Total Other Settlement		
Due Provider - (Lines 10 through 15)	\$ 0	
17. Total Combined Audited Settlement Due		
Provider (State/CMSP/RHC) - (Line 8 + Line 16)	\$ (97,825)	

COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTERFiscal Period Ended:
JUNE 30, 2007Provider No.
ZZT 30245W

	REPORTED	AUDITED
1. Net Cost of Covered Services Rendered to Medi-Cal Patients (Schedule 3)	\$ 734,019	\$ 0
2. Excess Reasonable Cost Over Charges (Schedule 2)	\$ 0	\$ 0
3. Medi-Cal Inpatient Hospital Based Physician Services	\$ 0	\$ N/A
4. Direct Graduate Education Payments (Adj 35)	\$ 240,522	\$ 0
5. TOTAL COST-Reimbursable to Provider (Lines 1 through 4)	\$ 974,541	\$ 0
6. Interim Payments (Adj 26)	\$ (313,920)	\$ 0
7. Medi-Cal Overpayments (Adj)	\$ 0	\$ 0
8. Duplicate Payments (Adj)	\$ 0	\$ 0
9. Medi-Cal Credit Balances (Adj)	\$ 0	\$ 0
10.	\$ 0	\$ 0
11. TOTAL MEDI-CAL SETTLEMENT Due Provider (State)	\$ 660,621	\$ 0
	(To Summary of Findings)	

COMPUTATION OF LESSER OF
MEDI-CAL REASONABLE COST OR CUSTOMARY CHARGESProvider Name:
ARROWHEAD REGIONAL MEDICAL CENTERFiscal Period Ended:
JUNE 30, 2007Provider No.
ZZT 30245W

REPORTED

AUDITED

REASONABLE COST OF MEDI-CAL INPATIENT SERVICES

1. Cost of Covered Services (Schedule 3) \$ 734,019 \$ 0

CHARGES FOR MEDI-CAL INPATIENT SERVICES

2. Inpatient Routine Service Charges (Adj 25) \$ 939,842 \$ 0

3. Inpatient Ancillary Service Charges (Adj 25) \$ 577,008 \$ 0

4. Total Charges - Medi-Cal Inpatient Services \$ 1,516,850 \$ 0

5. Excess of Customary Charges Over Reasonable Cost
(Line 4 minus Line 1) * \$ 782,831 \$ 06. Excess of Reasonable Cost Over Customary Charges
(Line 1 minus Line 4) \$ 0 \$ 0
(To Schedule 1)

* If charges exceed reasonable cost, no further calculation necessary for this schedule.

COMPUTATION OF
MEDI-CAL NET COSTS OF COVERED SERVICESProvider Name:
ARROWHEAD REGIONAL MEDICAL CENTERFiscal Period Ended:
JUNE 30, 2007Provider No.
ZZT 30245W

	REPORTED	AUDITED
1. Medi-Cal Inpatient Ancillary Services (Schedule 5)	\$ 149,227	\$ 0
2. Medi-Cal Inpatient Routine Services (Schedule 4)	\$ 584,792	\$ 0
3. Medi-Cal Inpatient Hospital Based Physician for Intern and Resident Services (Sch)	\$ 0	\$ 0
4.	\$ 0	\$ 0
5.	\$ 0	\$ 0
6. SUBTOTAL (Sum of Lines 1 through 5)	\$ 734,019	\$ 0
7. Medi-Cal Inpatient Hospital Based Physician for Acute Care Services (Schedule 7)	\$ (See Schedule 1)	\$ 0
8. SUBTOTAL	\$ 734,019	\$ 0
	(To Schedule 2)	
9. Coinsurance (Adj)	\$ 0	\$ 0
10. Patient and Third Party Liability (Adj)	\$ 0	\$ 0
11. Net Cost of Covered Services Rendered to Medi-Cal Inpatients	\$ 734,019	\$ 0
	(To Schedule 1)	

COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:
ARROWHEAD REGIONAL MEDICAL CENTERFiscal Period Ended:
JUNE 30, 2007Provider No.
ZZT 30245W

GENERAL SERVICE UNIT NET OF SWING-BED COSTS

INPATIENT DAYS

	REPORTED	AUDITED
1. Total Inpatient Days (include private & swing-bed) (Adjs 20,21)	68,414	88,422
2. Inpatient Days (include private, exclude swing-bed)	68,414	88,422
3. Private Room Days (exclude swing-bed private room) (Adjs 20, 21)	68,414	88,422
4. Semi-Private Room Days (exclude swing-bed) (Adj)	0	0
5. Medicare NF Swing-Bed Days through Dec 31 (Adj)	0	0
6. Medicare NF Swing-Bed Days after Dec 31 (Adj)	0	0
7. Medi-Cal NF Swing-Bed Days through July 31 (Adj)	0	0
8. Medi-Cal NF Swing-Bed Days after July 31 (Adj)		0
9. Medi-Cal Days (excluding swing-bed) (Adj 23)	622	0

SWING-BED ADJUSTMENT

17. Medicare NF Swing-Bed Rates through Dec 31 (Adj)	\$ 0.00	\$ 0.00
18. Medicare NF Swing-Bed Rates after Dec 31(Adj)	\$ 0.00	\$ 0.00
19. Medi-Cal NF Swing-Bed Rates through July 31(Adj)	\$ 0.00	\$ 0.00
20. Medi-Cal NF Swing-Bed Rates after July 31(Adj)	\$ 0.00	\$ 0.00
21. Total Routine Serv Cost (Sch 8, Line 25, Col 27)	\$ 64,321,393	\$ 70,116,579
22. Medicare NF Swing-Bed Cost through Dec 31 (L 5 x L 17)	\$ 0	\$ 0
23. Medicare NF Swing-Bed Cost after Dec 31 (L 6 x L 18)	\$ 0	\$ 0
24. Medi-Cal NF Swing-Bed Cost through July 31 (L 7 x L 19)	\$ 0	\$ 0
25. Medi-Cal NF Swing-Bed Cost after July 31 (L 8 x L 20)	\$ 0	\$ 0
26. Total Swing-Bed Cost (Sum of Lines 22 to 25)	\$ 0	\$ 0
27. Inpatient Routine Cost Net of Swing-Bed (L 21 minus L 26)	\$ 64,321,393	\$ 70,116,579

PRIVATE ROOM DIFFERENTIAL ADJUSTMENT

28. Gen Inpatient Routine Serv Charges (excl swing-bed charges)	\$ 0	\$ 0
29. Private Room Charges (excluding swing-bed charges)	\$ 0	\$ 0
30. Semi-Private Room Charges (excluding swing-bed charges)	\$ 0	\$ 0
31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 / L 28)	\$ 0.000000	\$ 0.000000
32. Average Private Room Per Diem Charge (L 29 / L 3)	\$ 0.00	\$ 0.00
33. Average Semi-Private Room Per Diem Charge (L 30 / L 4)	\$ 0.00	\$ 0.00
34. Avg Per Diem Prvt Room Charge Differential (L 32 minus L 33)	\$ 0.00	\$ 0.00
35. Average Per Diem Private Room Cost Differential (L 31 x L 34)	\$ 0.00	\$ 0.00
36. Private Room Cost Differential Adjustment (L 35 x L 3)	\$ 0	\$ 0
37. Inpatient Rout Cost Net of Swing-Bed & Prvt Rm (L 27 minus L 36)	\$ 64,321,393	\$ 70,116,579

PROGRAM INPATIENT OPERATING COST

38. Adjusted General Inpatient Routine Cost Per Diem (L 37 / L 2)	\$ 940.18	\$ 792.98
39. Program General Inpatient Routine Service Cost (L 9 x L 38)	\$ 584,792	\$ 0
40. Cost Applicable to Medi-Cal (Sch 4A)	\$ 0	\$ 0
41. Cost Applicable to Medi-Cal (Sch 4B)	\$ 0	\$ 0
42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39,40 & 41)	\$ 584,792	\$ 0

(To Schedule 3)

COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:
ARROWHEAD REGIONAL MEDICAL CENTERFiscal Period Ended:
JUNE 30, 2007Provider No.
ZZT 30245WSPECIAL CARE AND/OR NURSERY UNITS
NURSERY

REPORTED	AUDITED
\$ 4,956,230	\$ 4,751,257
8,111	7,502
\$ 611.05	\$ 633.33
0	0
\$ 0	\$ 0

1. Total Inpatient Routine Cost (Sch 8, Line 33, Col 27)
2. Total Inpatient Days (Adj 21)
3. Average Per Diem Cost
4. Medi-Cal Inpatient Days (Adj)
5. Cost Applicable to Medi-Cal

INTENSIVE CARE UNIT

\$ 16,061,904	\$ 15,625,860
6,208	5,711
\$ 2,587.29	\$ 2,736.10
0	0
\$ 0	\$ 0

6. Total Inpatient Routine Cost (Sch 8, Line 26, Col 27)
7. Total Inpatient Days (Adj 21)
8. Average Per Diem Cost
9. Medi-Cal Inpatient Days (Adj)
10. Cost Applicable to Medi-Cal

CORONARY CARE UNIT

\$ 0	\$ 0
0	0
\$ 0.00	\$ 0.00
0	0
\$ 0	\$ 0

11. Total Inpatient Routine Cost (Sch 8, Line 27, Col 27)
12. Total Inpatient Days (Adj)
13. Average Per Diem Cost
14. Medi-Cal Inpatient Days (Adj)
15. Cost Applicable to Medi-Cal

BURN INTENSIVE CARE UNIT

\$ 7,906,553	\$ 7,578,794
2,577	2,577
\$ 3,068.12	\$ 2,940.94
0	0
\$ 0	\$ 0

16. Total Inpatient Routine Cost (Sch 8, Line 28, Col 27)
17. Total Inpatient Days (Adj)
18. Average Per Diem Cost
19. Medi-Cal Inpatient Days (Adj)
20. Cost Applicable to Medi-Cal

SURGICAL INTENSIVE CARE UNIT

\$ 10,529,088	\$ 10,139,961
4,992	4,914
\$ 2,109.19	\$ 2,063.48
0	0
\$ 0	\$ 0

21. Total Inpatient Routine Cost (Sch 8, Line 29, Col 27)
22. Total Inpatient Days (Adj 21)
23. Average Per Diem Cost
24. Medi-Cal Inpatient Days (Adj)
25. Cost Applicable to Medi-Cal

ADMINISTRATIVE DAYS

\$ 0.00	\$ 0.00
0	0
\$ 0	\$ 0

26. Per Diem Rate (Adj)
27. Medi-Cal Inpatient Days (Adj)
28. Cost Applicable to Medi-Cal

ADMINISTRATIVE DAYS

\$ 0.00	\$ 0.00
0	0
\$ 0	\$ 0

29. Per Diem Rate (Adj)
30. Medi-Cal Inpatient Days (Adj)
31. Cost Applicable to Medi-Cal

32. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,28,31)

\$ 0	\$ 0
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(To Schedule 4)

COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:
ARROWHEAD REGIONAL MEDICAL CENTERFiscal Period Ended:
JUNE 30, 2007Provider No.
ZZT 30245W

	REPORTED	AUDITED
SPECIAL CARE UNITS		
NEONATAL INTENSIVE CARE UNIT		
1. Total Inpatient Routine Cost (Sch 8, Line 30, Col 27)	\$ 9,411,054	\$ 9,027,685
2. Total Inpatient Days (Adj)	6,647	6,647
3. Average Per Diem Cost	\$ 1,415.83	\$ 1,358.16
4. Medi-Cal Inpatient Days (Adj)	0	0
5. Cost Applicable to Medi-Cal	\$ 0	\$ 0
6. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
7. Total Inpatient Days (Adj)	0	0
8. Average Per Diem Cost	\$ 0.00	\$ 0.00
9. Medi-Cal Inpatient Days (Adj)	0	0
10. Cost Applicable to Medi-Cal	\$ 0	\$ 0
11. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
12. Total Inpatient Days (Adj)	0	0
13. Average Per Diem Cost	\$ 0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj)	0	0
15. Cost Applicable to Medi-Cal	\$ 0	\$ 0
16. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
17. Total Inpatient Days (Adj)	0	0
18. Average Per Diem Cost	\$ 0.00	\$ 0.00
19. Medi-Cal Inpatient Days (Adj)	0	0
20. Cost Applicable to Medi-Cal	\$ 0	\$ 0
21. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
22. Total Inpatient Days (Adj)	0	0
23. Average Per Diem Cost	\$ 0.00	\$ 0.00
24. Medi-Cal Inpatient Days (Adj)	0	0
25. Cost Applicable to Medi-Cal	\$ 0	\$ 0
26. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
27. Total Inpatient Days (Adj)	0	0
28. Average Per Diem Cost	\$ 0.00	\$ 0.00
29. Medi-Cal Inpatient Days (Adj)	0	0
30. Cost Applicable to Medi-Cal	\$ 0	\$ 0
31. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,30)	\$ 0	\$ 0

(To Schedule 4)

SCHEDULE OF MEDI-CAL ANCILLARY COSTS

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTERFiscal Period Ended:
JUNE 30, 2007Provider No:
ZZT 30245W

	TOTAL ANCILLARY COST *	TOTAL ANCILLARY CHARGES (Adj 22)	RATIO COST TO CHARGES	MEDI-CAL CHARGES (From Schedule 6)	MEDI-CAL COST
ANCILLARY COST CENTERS					
37.00 Operating Room	\$ 21,596,736	\$ 63,789,376	0.338563	\$ 0	\$ 0
38.00 Recovery Room	0	0	0.000000	0	0
39.00 Delivery Room and Labor Room	9,561,078	19,958,595	0.479046	0	0
40.00 Anesthesiology	0	0	0.000000	0	0
41.00 Radiology - Diagnostic	17,849,657	107,762,267	0.165639	0	0
41.01 Ultra Sound	1,479,771	6,483,549	0.228235	0	0
41.02	0	0	0.000000	0	0
42.00 Radiology - Therapeutic	1,389,502	4,952,345	0.280574	0	0
43.00 Radioisotope	772,025	1,594,293	0.484243	0	0
44.00 Laboratory	18,518,380	114,000,868	0.162441	0	0
45.00 PBP Clinical Lab Services	0	0	0.000000	0	0
46.00 Whole Blood and Packed Red Blood Cells	3,677,610	9,245,909	0.397755	0	0
47.00 Blood Storing, Processing, and Transport	0	0	0.000000	0	0
49.00 Respiratory Therapy	8,650,791	56,978,167	0.151826	0	0
49.01 Pulmonary Function	378,547	347,926	1.088010	0	0
50.00 Physical Therapy	2,892,084	5,331,469	0.542455	0	0
51.00 Occupational Therapy	967,009	2,281,420	0.423863	0	0
52.00 Speech Pathology	314,301	700,514	0.448671	0	0
53.00 Electrocardiology	2,663,240	17,171,563	0.155096	0	0
54.00 Electroencephalography	778,975	2,162,362	0.360243	0	0
55.00 Medical Supplies Charged to Patients	30,625,486	126,657,590	0.241797	0	0
56.00 Drugs Charged to Patients	37,103,918	141,649,076	0.261943	0	0
57.00 Renal Dialysis	2,400,774	5,467,398	0.439107	0	0
58.00 ASC (Non-Distinct Part)	6,978,647	29,275,286	0.238380	0	0
59.00	0	0	0.000000	0	0
59.01	0	0	0.000000	0	0
59.02	0	0	0.000000	0	0
59.03	0	0	0.000000	0	0
60.00 Clinic	23,248,557	37,107,733	0.626515	0	0
60.01 Psych AES Unit	5,992,173	3,720,924	1.610399	0	0
61.00 Emergency	19,074,552	61,894,669	0.308178	0	0
62.00 Observation Beds (Non-Distinct Part)	0	0	0.000000	0	0
71.00 Home Health Agency	1,759,666	0	0.000000	0	0
82.00	0	0	0.000000	0	0
83.00 Kidney Acquisition	450,354	0	0.000000	0	0
84.00	0	0	0.000000	0	0
85.00	0	0	0.000000	0	0
86.00	0	0	0.000000	0	0
TOTAL	\$ 219,123,834	\$ 818,533,299		\$ 0	\$ 0

(To Schedule 3)

* From Schedule 8, Column 27

STATE OF CALIFORNIA

SCHEDULE 6
PROGRAM: NONCONTRACT

ADJUSTMENTS TO MEDI-CAL CHARGES

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
ZZT 30245W

ANCILLARY CHARGES		REPORTED	ADJUSTMENTS (Adj 24)	AUDITED
37.00	Operating Room	\$ 10,666	\$ (10,666)	\$ 0
38.00	Recovery Room			0
39.00	Delivery Room and Labor Room	9,694	(9,694)	0
40.00	Anesthesiology			0
41.00	Radiology - Diagnostic	14,459	(14,459)	0
41.01	Ultra Sound	3,619	(3,619)	0
41.02				0
42.00	Radiology - Therapeutic			0
43.00	Radioisotope			0
44.00	Laboratory	126,752	(126,752)	0
45.00	PBP Clinical Lab Services			0
46.00	Whole Blood and Packed Red Blood Cells	1,779	(1,779)	0
47.00	Blood Storing, Processing, and Transport			0
49.00	Respiratory Therapy	21,481	(21,481)	0
49.01	Pulmonary Function			0
50.00	Physical Therapy	35,007	(35,007)	0
51.00	Occupational Therapy	7,228	(7,228)	0
52.00	Speech Pathology	2,126	(2,126)	0
53.00	Electrocardiology	4,545	(4,545)	0
54.00	Electroencephalography			0
55.00	Medical Supplies Charged to Patients	164,026	(164,026)	0
56.00	Drugs Charged to Patients	172,241	(172,241)	0
57.00	Renal Dialysis	3,010	(3,010)	0
58.00	ASC (Non-Distinct Part)			0
59.00				0
59.01				0
59.02				0
59.03				0
60.00	Clinic	203	(203)	0
60.01	Psych AES Unit			0
61.00	Emergency	172	(172)	0
62.00	Observation Beds (Non-Distinct Part)			0
71.00	Home Health Agency			0
82.00				0
83.00	Kidney Acquisition			0
84.00				0
85.00				0
86.00				0
TOTAL MEDI-CAL ANCILLARY CHARGES		\$ 577,008	\$ (577,008)	\$ 0

(To Schedule 5)

COMPUTATION OF PROFESSIONAL COMPONENT OF HOSPITAL BASED PHYSICIAN'S REMUNERATION

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
ZZT 30245W

[illegible]

(To Schedule 3)

COMPUTATION OF MEDI-CAL CONTRACT COST

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
HSC 30245W

	REPORTED	AUDITED
1. Net Cost of Covered Services Rendered to Medi-Cal Patients (Desig Pub Hosp Sch 3)	\$ 105,435,169	\$ 86,183,465
2. Excess Reasonable Cost Over Charges (Desig Pub Hosp Sch 2)	\$ 0	\$ 0
3. Medi-Cal Inpatient Hospital Based Physician Services	\$ 0	\$ N/A
4.	\$ 0	\$ 0
5. Subtotal (Sum of Lines 1 through 4)	\$ 105,435,169	\$ 86,183,465
6.	\$ 0	\$ 0
7.	\$ 0	\$ 0
8. TOTAL MEDI-CAL COST (Sum of Lines 5 through 7)	\$ 105,435,169	\$ 86,183,465
	(To Summary of Findings)	
9. INTERIM PAYMENTS (Adjs 30, 34)	\$ (114,304,191)	\$ (46,017,889)
10. Medi-Cal Credit Balances (Adj 36)	\$ 0	\$ (97,825)
11.	\$ 0	\$ 0
12.	\$ 0	\$ 0
13. MEDI-CAL OVERPAYMENT SETTLEMENT Due Provider (State)	\$ 0	\$ (97,825)
	(To Summary of Findings)	

COMPUTATION OF LESSER OF
MEDI-CAL REASONABLE COST OR CUSTOMARY CHARGESProvider Name:
ARROWHEAD REGIONAL MEDICAL CENTERFiscal Period Ended:
JUNE 30, 2007Provider No:
HSC 30245W

REPORTED

AUDITED

REASONABLE COST OF MEDI-CAL INPATIENT SERVICES

1. Cost of Covered Services (Desig Pub Hosp Sch 3)	\$ 105,897,156	\$ 86,817,751
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CHARGES FOR MEDI-CAL INPATIENT SERVICES

2. Inpatient Routine Service Charges (Adjs 29, 33)	\$ 115,813,563	\$ 94,630,406
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3. Inpatient Ancillary Service Charges (Adjs 29, 33)	\$ 193,680,388	\$ 164,707,178
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4. Total Charges - Medi-Cal Inpatient Services	\$ 309,493,951	\$ 259,337,584
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5. Excess of Customary Charges Over Reasonable Cost (Line 4 minus Line 1) *	\$ 203,596,795	\$ 172,519,833
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6. Excess of Reasonable Cost Over Customary Charges (Line 1 minus Line 4)	\$ 0	\$ 0
	(To Desig Pub Hosp Sch 1)	

* If charges exceed reasonable cost, no further calculation necessary for this schedule.

**COMPUTATION OF
MEDI-CAL NET COST OF COVERED SERVICES**

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
HSC 30245W

	REPORTED	AUDITED
1. Medi-Cal Inpatient Ancillary Services (Desig Pub Hosp Sch 5)	\$ 49,772,822	\$ 40,973,310
2. Medi-Cal Inpatient Routine Services (Desig Pub Hosp Sch 4)	\$ 56,124,334	\$ 45,844,441
3. Medi-Cal Inpatient Hospital Based Physician for Intern and Resident Services (Sch)	\$ 0	\$ 0
4.	\$ 0	\$ 0
5.	\$ 0	\$ 0
6. SUBTOTAL (Sum of Lines 1 through 5)	\$ 105,897,156	\$ 86,817,751
7. Medi-Cal Inpatient Hospital Based Physician for Acute Care Services (Desig Pub Hosp 7)	(See \$ Desig Pub Hosp Sch 1)	\$ 0
8. SUBTOTAL	\$ 105,897,156	\$ 86,817,751
	(To Desig Pub Hosp Sch 2)	
9. Coinsurance (Adjs 30, 34)	\$ (163,310)	\$ (317,763)
10. Patient and Third Party Liability (Adj 30)	\$ (298,677)	\$ (316,523)
11. Net Cost of Covered Services Rendered to Medi-Cal Inpatients	\$ 105,435,169	\$ 86,183,465
	(To Desig Pub Hosp Sch 1)	

**COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COST**

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
HSC 30245W

GENERAL SERVICE UNIT NET OF SWING-BEDS COSTS**INPATIENT DAYS**

	REPORTED	AUDITED
1. Total Inpatient Days (include private & swing-bed) (Adjs 20,21)	68,414	88,422
2. Inpatient Days (include private, exclude swing-bed)	68,414	88,422
3. Private Room Days (exclude swing-bed private room) (Adjs 20, 21)	68,414	88,422
4. Semi-Private Room Days (exclude swing-bed) (Adj)	0	0
5. Medicare NF Swing-Bed Days through Dec 31 (Adj)	0	0
6. Medicare NF Swing-Bed Days after Dec 31 (Adj)	0	0
7. Medi-Cal NF Swing-Bed Days through July 31 (Adj)	0	0
8. Medi-Cal NF Swing-Bed Days after July 31 (Adj)	0	0
9. Medi-Cal Days (excluding swing-bed) (Adjs 27, 31)	29,345	28,262

SWING-BED ADJUSTMENT

17. Medicare NF Swing-Bed Rates through Dec 31 (Adj)	\$ 0.00	\$ 0.00
18. Medicare NF Swing-Bed Rates after Dec 31(Adj)	\$ 0.00	\$ 0.00
19. Medi-Cal NF Swing-Bed Rates through July 31(Adj)	\$ 0.00	\$ 0.00
20. Medi-Cal NF Swing-Bed Rates after July 31(Adj)	\$ 0.00	\$ 0.00
21. Total Routine Serv Cost (Sch 8, Part I, Line 25, Col 27)	\$ 73,594,055	\$ 70,116,579
22. Medicare NF Swing-Bed Cost through Dec 31 (L 5 x L 17)	\$ 0	\$ 0
23. Medicare NF Swing-Bed Cost after Dec 31 (L 6 x L 18)	\$ 0	\$ 0
24. Medi-Cal NF Swing-Bed Cost through July 31 (L 7 x L 19)	\$ 0	\$ 0
25. Medi-Cal NF Swing-Bed Cost after July 31 (L 8 x L 20)	\$ 0	\$ 0
26. Total Swing-Bed Cost (Sum of Lines 22 to 25)	\$ 0	\$ 0
27. Inpatient Routine Cost Net of Swing-Bed (L 21 minus L 26)	\$ 73,594,055	\$ 70,116,579

PRIVATE ROOM DIFFERENTIAL ADJUSTMENT

28. Gen Inpatient Routine Serv Charges (excl swing-bed charges)(Adj)	\$ 0	\$ 0
29. Private Room Charges (excluding swing-bed charges)(Adj)	\$ 0	\$ 0
30. Semi-Private Room Charges (excluding swing-bed charges)(Adj)	\$ 0	\$ 0
31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 / L 28)	\$ 0.000000	\$ 0.000000
32. Average Private Room Per Diem Charge (L 29 / L 3)	\$ 0.00	\$ 0.00
33. Average Semi-Private Room Per Diem Charge (L 30 / L 4)	\$ 0.00	\$ 0.00
34. Avg Per Diem Prvt Room Charge Differential (L 32 minus L 33)	\$ 0.00	\$ 0.00
35. Average Per Diem Private Room Cost Differential (L 31 x L 34)	\$ 0.00	\$ 0.00
36. Private Room Cost Differential Adjustment (L 35 x L 3)	\$ 0	\$ 0
37. Inpatient Rout Cost Net of Swing-Bed & Prvt Rm (L 27 minus L 36)	\$ 73,594,055	\$ 70,116,579

PROGRAM INPATIENT OPERATING COST

38. Adjusted General Inpatient Routine Cost Per Diem (L 37 / L 2)	\$ 1,075.72	\$ 792.98
39. Program General Inpatient Routine Service Cost (L 9 x L 38)	\$ 31,567,003	\$ 22,411,201
40. Cost Applicable to Medi-Cal (Desig Pub Hosp Sch 4A)	\$ 15,930,679	\$ 15,543,689
41. Cost Applicable to Medi-Cal (Desig Pub Hosp Sch 4B)	\$ 8,626,652	\$ 7,889,551
42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39, 40 & 41)	\$ 56,124,334	\$ 45,844,441

(To Desig Pub Hosp Sch 3)

**COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COST**

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
HSC 30245W

SPECIAL CARE AND/OR NURSERY UNITS		REPORTED	AUDITED
NURSERY			
1. Total Inpatient Routine Cost (Sch 8, Line 33, Col 27)	\$	4,956,230	\$ 4,751,257
2. Total Inpatient Days (Adj 21)		8,111	7,502
3. Average Per Diem Cost	\$	611.05	\$ 633.33
4. Medi-Cal Inpatient Days (Adj 27)		5,845	5,602
5. Cost Applicable to Medi-Cal	\$	3,571,587	\$ 3,547,915
INTENSIVE CARE UNIT			
6. Total Inpatient Routine Cost (Sch 8, Line 26, Col 27)	\$	16,061,904	\$ 15,625,860
7. Total Inpatient Days (Adj 21)		6,208	5,711
8. Average Per Diem Cost	\$	2,587.29	\$ 2,736.10
9. Medi-Cal Inpatient Days (Adj 27)		2,321	2,247
10. Cost Applicable to Medi-Cal	\$	6,005,100	\$ 6,148,017
CORONARY CARE UNIT			
11. Total Inpatient Routine Cost (Sch 8, Line 27, Col 27)	\$	0	\$ 0
12. Total Inpatient Days (Adj)		0	0
13. Average Per Diem Cost	\$	0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj)		0	0
15. Cost Applicable to Medi-Cal	\$	0	\$ 0
BURN INTENSIVE CARE UNIT			
16. Total Inpatient Routine Cost (Sch 8, Line 28, Col 27)	\$	7,906,553	\$ 7,578,794
17. Total Inpatient Days (Adj)		2,577	2,577
18. Average Per Diem Cost	\$	3,068.12	\$ 2,940.94
19. Medi-Cal Inpatient Days (Adj 27)		738	663
20. Cost Applicable to Medi-Cal	\$	2,264,273	\$ 1,949,843
SURGICAL INTENSIVE CARE UNIT			
21. Total Inpatient Routine Cost (Sch 8, Line 29, Col 27)	\$	10,529,088	\$ 10,139,961
22. Total Inpatient Days (Adj 21)		4,992	4,914
23. Average Per Diem Cost	\$	2,109.19	\$ 2,063.48
24. Medi-Cal Inpatient Days (Adj 27)		1,939	1,889
25. Cost Applicable to Medi-Cal	\$	4,089,719	\$ 3,897,914
ADMINISTRATIVE DAYS			
26. Total Inpatient Routine Cost (Sch 8, Line __, Col 27)	\$	0	\$ 0
27. Total Inpatient Days (Adj)		0	0
28. Average Per Diem Cost	\$	0.00	\$ 0.00
29. Medi-Cal Inpatient Days (Adj)		0	0
30. Cost Applicable to Medi-Cal	\$	0	\$ 0
31. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,30)	\$	15,930,679	\$ 15,543,689

(To Desig Pub Hosp Sch 4)

**COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COST**

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
HSC 30245W

	REPORTED	AUDITED
SPECIAL CARE UNITS		
NEONATAL INTENSIVE CARE UNIT		
1. Total Inpatient Routine Cost (Sch 8, Line 30, Col 27)	\$ 9,411,054	\$ 9,027,685
2. Total Inpatient Days (Adj)	6,647	6,647
3. Average Per Diem Cost	\$ 1,415.83	\$ 1,358.16
4. Medi-Cal Inpatient Days (Adj 27)	6,093	5,809
5. Cost Applicable to Medi-Cal	\$ 8,626,652	\$ 7,889,551
6. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
7. Total Inpatient Days (Adj)	0	0
8. Average Per Diem Cost	\$ 0.00	\$ 0.00
9. Medi-Cal Inpatient Days (Adj)	0	0
10. Cost Applicable to Medi-Cal	\$ 0	\$ 0
11. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
12. Total Inpatient Days (Adj)	0	0
13. Average Per Diem Cost	\$ 0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj)	0	0
15. Cost Applicable to Medi-Cal	\$ 0	\$ 0
16. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
17. Total Inpatient Days (Adj)	0	0
18. Average Per Diem Cost	\$ 0.00	\$ 0.00
19. Medi-Cal Inpatient Days (Adj)	0	0
20. Cost Applicable to Medi-Cal	\$ 0	\$ 0
21. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
22. Total Inpatient Days (Adj)	0	0
23. Average Per Diem Cost	\$ 0.00	\$ 0.00
24. Medi-Cal Inpatient Days (Adj)	0	0
25. Cost Applicable to Medi-Cal	\$ 0	\$ 0
26. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
27. Total Inpatient Days (Adj)	0	0
28. Average Per Diem Cost	\$ 0.00	\$ 0.00
29. Medi-Cal Inpatient Days (Adj)	0	0
30. Cost Applicable to Medi-Cal	\$ 0	\$ 0
31. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,30)	\$ 8,626,652	\$ 7,889,551

(To Desig Pub Hosp Sch 4)

SCHEDULE OF MEDI-CAL ANCILLARY COSTS

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
HSC 30245W

		TOTAL ANCILLARY COST*	TOTAL ANCILLARY CHARGES (Adj 22)	RATIO COST TO CHARGES	MEDI-CAL CHARGES (Desig Pub Hosp Sch 6)	MEDI-CAL COST
ANCILLARY COST CENTERS						
37.00	Operating Room	\$ 21,596,736	\$ 63,789,376	0.338563	\$ 20,687,734	\$ 7,004,106
38.00	Recovery Room	0	0	0.000000	0	0
39.00	Delivery Room and Labor Room	9,561,078	19,958,595	0.479046	9,559,852	4,579,606
40.00	Anesthesiology	0	0	0.000000	0	0
41.00	Radiology - Diagnostic	17,849,657	107,762,267	0.165639	12,452,580	2,062,636
41.01	Ultra Sound	1,479,771	6,483,549	0.228235	645,841	147,403
41.02		0	0	0.000000	0	0
42.00	Radiology - Therapeutic	1,389,502	4,952,345	0.280574	19,203	5,388
43.00	Radioisotope	1,772,025	1,594,293	0.484243	127,948	61,958
44.00	Laboratory	18,518,380	114,000,868	0.162441	22,842,595	3,710,567
45.00	PBP Clinical Lab Services	0	0	0.000000	0	0
46.00	Whole Blood and Packed Red Blood Cells	3,677,610	9,245,909	0.397755	2,647,803	1,053,178
47.00	Blood Storing, Processing, and Transport	0	0	0.000000	0	0
49.00	Respiratory Therapy	8,650,791	56,978,167	0.151826	24,345,933	3,696,356
49.01	Pulmonary Function	1,378,547	347,926	1.088010	4,220	4,591
50.00	Physical Therapy	2,892,084	5,331,469	0.542455	1,323,697	718,047
51.00	Occupational Therapy	1,967,009	2,281,420	0.423863	389,118	164,933
52.00	Speech Pathology	1,314,301	700,514	0.448671	147,770	66,300
53.00	Electrocardiology	2,663,240	17,171,563	0.155096	2,762,792	428,498
54.00	Electroencephalography	1,778,975	2,162,362	0.360243	29,971	10,797
55.00	Medical Supplies Charged to Patients	30,625,486	126,657,590	0.241797	31,354,279	7,581,386
56.00	Drugs Charged to Patients	37,103,918	141,649,076	0.261943	28,695,698	7,516,624
57.00	Renal Dialysis	2,400,774	5,467,398	0.439107	804,605	353,308
58.00	ASC (Non-Distinct Part)	6,978,647	29,275,286	0.238380	0	0
59.00		0	0	0.000000	0	0
59.01		0	0	0.000000	0	0
59.02		0	0	0.000000	0	0
59.03		0	0	0.000000	0	0
60.00	Clinic	23,248,557	37,107,733	0.626515	0	0
60.01	Psych AES Unit	5,992,173	3,720,924	1.610399	0	0
61.00	Emergency	19,074,552	61,894,669	0.308178	5,865,539	1,807,628
62.00	Observation Beds (Non-Distinct Part)	0	0	0.000000	0	0
71.00	Home Health Agency	1,759,666	0	0.000000	0	0
82.00		0	0	0.000000	0	0
83.00	Kidney Acquisition	450,354	0	0.000000	0	0
84.00		0	0	0.000000	0	0
85.00		0	0	0.000000	0	0
86.00		0	0	0.000000	0	0
TOTAL		\$ 219,123,834	\$ 818,533,299		\$ 164,707,178	\$ 40,973,310

(To Desig Pub Hosp Sch 3)

* From Schedule 8, Column 27

ADJUSTMENTS TO MEDI-CAL CHARGES

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

Provider No:
HSC 30245W

ANCILLARY CHARGES		REPORTED	ADJUSTMENTS (Adjs 28, 32)	AUDITED
37.00	Operating Room	\$ 20,065,852	\$ 621,882	\$ 20,687,734
38.00	Recovery Room			0
39.00	Delivery Room and Labor Room	13,252,915	(3,693,063)	9,559,852
40.00	Anesthesiology			0
41.00	Radiology - Diagnostic	15,814,795	(3,362,215)	12,452,580
41.01	Ultra Sound	839,614	(193,773)	645,841
41.02				0
42.00	Radiology - Therapeutic	28,476	(9,273)	19,203
43.00	Radioisotope	155,189	(27,241)	127,948
44.00	Laboratory	25,844,669	(3,002,074)	22,842,595
45.00	PBP Clinical Lab Services			0
46.00	Whole Blood and Packed Red Blood Cells	3,816,529	(1,168,726)	2,647,803
47.00	Blood Storing, Processing, and Transport			0
49.00	Respiratory Therapy	26,417,230	(2,071,297)	24,345,933
49.01	Pulmonary Function	3,587	633	4,220
50.00	Physical Therapy	1,182,022	141,675	1,323,697
51.00	Occupational Therapy	326,109	63,009	389,118
52.00	Speech Pathology	317,981	(170,211)	147,770
53.00	Electrocardiology	3,855,901	(1,093,109)	2,762,792
54.00	Electroencephalography	124,515	(94,544)	29,971
55.00	Medical Supplies Charged to Patients	39,223,955	(7,869,676)	31,354,279
56.00	Drugs Charged to Patients	32,572,258	(3,876,560)	28,695,698
57.00	Renal Dialysis	1,045,492	(240,887)	804,605
58.00	ASC (Non-Distinct Part)			0
59.00				0
59.01				0
59.02				0
59.03				0
60.00	Clinic	134,798	(134,798)	0
60.01	Psych AES Unit	231,943	(231,943)	0
61.00	Emergency	8,426,558	(2,561,019)	5,865,539
62.00	Observation Beds (Non-Distinct Part)			0
71.00	Home Health Agency			0
82.00				0
83.00	Kidney Acquisition			0
84.00				0
85.00				0
86.00				0
TOTAL MEDI-CAL ANCILLARY CHARGES		\$ 193,680,388	\$ (28,973,210)	\$ 164,707,178

(To Desig Pub Hosp Sch 5)

**Fiscal Period Ended:
JUNE 30, 2007**[illegible]

(To Desig Pub Hosp Sch 3)

Fiscal Period Ended:

JUNE 30, 2007

TRIAL BALANCE	NET EXP FOR	OLD CAPITAL	OLD	NEW CAPITAL	NEW	ALLOC	ALLOC	ALLOC	ALLOC	ALLOC	ALLOC	ALLOC
EXPENSES	COST ALLOC	BLDG &	MOVABLE	BLDG &	MOVABLE	COST	COST	COST	COST	COST	COST	COST
	(From Sch 10)	FIXTURES	EQUIP	FIXTURES	EQUIP	4.01	4.02	4.03	4.04	4.05	4.06	4.07
	0.00	1.00	2.00	3.00	4.00							
GENERAL SERVICE COST CENTER												
1.00 Old Cap Rel Costs-Bldg & Fixtures	0											
2.00 Old Cap Rel Costs-Movable Equipment	0	0										
3.00 New Cap Rel Costs-Bldg & Fixtures	39,148,801	0	0									
4.00 New Cap Rel Costs-Movable Equipment	6,062,465	0	0	0								
4.01	0	0	0	0	0							
4.02	0	0	0	0	0	0						
4.03	0	0	0	0	0	0	0					
4.04	0	0	0	0	0	0	0	0				
4.05	0	0	0	0	0	0	0	0	0			
4.06	0	0	0	0	0	0	0	0	0	0		
4.07	0	0	0	0	0	0	0	0	0	0	0	
4.08	0	0	0	0	0	0	0	0	0	0	0	0
5.00 Employee Benefits	0	0	0	0	0	0	0	0	0	0	0	0
6.01 Non-Patient Telephones	625,737	0		71,430		0	0	0	0	0	0	0
6.02 Data Processing	7,452,581	0	0	167,517	347,850	0	0	0	0	0	0	0
6.03 Purchasing, Receiving, and Stores	2,558,953	0	0	675,238	44,300	0	0	0	0	0	0	0
6.04 Admitting	0	0	0	56,126	0	0	0	0	0	0	0	0
6.05 Cashiering/Accounts Receivable	6,774,979	0	0	548,872	0	0	0	0	0	0	0	0
6.06	0	0	0	0	0	0	0	0	0	0	0	0
6.07	0	0	0	0	0	0	0	0	0	0	0	0
6.08	0	0	0	0	0	0	0	0	0	0	0	0
6.00 Administrative and General	26,728,459	0	0	500,295	446,490	0	0	0	0	0	0	0
7.00 Maintenance and Repairs	5,159,831	0	0	62,937	27,868	0	0	0	0	0	0	0
8.00 Operation of Plant	6,508,032	0		8,299,424	5,153	0	0	0	0	0	0	0
9.00 Laundry and Linen Service	1,955,819	0	0	472,273	16,914	0	0	0	0	0	0	0
10.00 Housekeeping	8,369,119	0	0	458,570	44,050	0	0	0	0	0	0	0
11.00 Dietary	3,925,893	0	0	1,256,317	0	0	0	0	0	0	0	0
12.00 Cafeteria	2,684,675	0	0	759,961	46,148	0	0	0	0	0	0	0
13.00 Maintenance of Personnel	0	0	0	0	0	0	0	0	0	0	0	0
14.00 Nursing Administration	3,935,157	0	0	180,892	2,580	0	0	0	0	0	0	0
15.00 Central Services & Supply	2,547,997	0	0	463,411	207,109	0	0	0	0	0	0	0
16.00 Pharmacy	7,777,305	0	0	678,685	1,521	0	0	0	0	0	0	0
17.00 Medical Records and Library	5,935,214	0	0	740,719	1,442	0	0	0	0	0	0	0
18.00 Social Service	787,834	0	0	33,766	0	0	0	0	0	0	0	0
19.00	0	0	0	0	0	0	0	0	0	0	0	0
20.00	0	0	0	0	0	0	0	0	0	0	0	0
21.00	0	0	0	0	0	0	0	0	0	0	0	0
22.00 I&R Services - Salary and Fringes Approved	6,525,400	0	0	0	0	0	0	0	0	0	0	0
23.00 I&R Services - Other Program Costs Approved	5,694,216	0	0	554,493	0	0	0	0	0	0	0	0
24.00 Paramed Ed - School of Radiology	149,728	0	0	118,735	0	0	0	0	0	0	0	0
24.01 Paramed Ed - School of Anesthesia	108,602	0	0	118,735	0	0	0	0	0	0	0	0
24.02 Paramed Ed - School of Laboratory	36,391	0	0	0	0	0	0	0	0	0	0	0
INPATIENT ROUTINE COST CENTERS												
25.00 Adults & Pediatrics (Gen Routine)	32,332,390	0	0	6,354,903	146,521	0	0	0	0	0	0	0
26.00 Intensive Care Unit	9,841,535	0	0	725,497	10,912	0	0	0	0	0	0	0
27.00 Coronary Care Unit	0	0	0	0	0	0	0	0	0	0	0	0
28.00 Burn Intensive Care Unit	3,689,354	0	0	746,955	10,885	0	0	0	0	0	0	0
29.00 Surgical Intensive Care Unit	5,786,623	0	0	711,753	63,780	0	0	0	0	0	0	0
30.00 Neonatal Intensive Care Unit	6,148,377	0	0	427,265	102,224	0	0	0	0	0	0	0
31.00 Subprovider	8,980,548	0	0	3,503,091	42,731	0	0	0	0	0	0	0
32.00	0	0	0	0	0	0	0	0	0	0	0	0
33.00 Nursery	2,843,655	0	0	150,819	27,017	0	0	0	0	0	0	0
34.00 Medicare Certified Nursing Facility	0	0	0	0	0	0	0	0	0	0	0	0
35.00 Distinct Part Nursing Facility	0	0	0	0	0	0	0	0	0	0	0	0
36.00 Adult Subacute Care Unit	0	0	0	0	0	0	0	0	0	0	0	0
36.01 Subacute Care Unit II	0	0	0	0	0	0	0	0	0	0	0	0
36.02 Transitional Care Unit	0	0	0	0	0	0	0	0	0	0	0	0

SCHEDULE 8

Fiscal Period Ended:
JUNE 30, 2007

TRIAL BALANCE		NET EXP FOR	OLD CAPITAL	OLD	NEW CAPITAL	NEW	ALLOC	ALLOC	ALLOC	ALLOC	ALLOC	ALLOC	ALLOC
EXPENSES		COST ALLOC	BLDG &	MOVABLE	BLDG &	MOVABLE	COST	COST	COST	COST	COST	COST	COST
		(From Sch 10)	FIXTURES	EQUIP	FIXTURES	EQUIP	4.01	4.02	4.03	4.04	4.05	4.06	4.07
		0.00	1.00	2.00	3.00	4.00							
ANCILLARY COST CENTERS													
37.00	Operating Room	8,590,785	0	0	2,009,878	113,227	0	0	0	0	0	0	0
38.00	Recovery Room	0	0	0	0	0	0	0	0	0	0	0	0
39.00	Delivery Room and Labor Room	6,713,879	0	0	409,623	7,235	0	0	0	0	0	0	0
40.00	Anesthesiology	0	0	0	0	0	0	0	0	0	0	0	0
41.00	Radiology - Diagnostic	8,512,419	0	0	1,015,688	2,801,110	0	0	0	0	0	0	0
41.01	Ultra Sound	713,986	0	0	20,391	247,674	0	0	0	0	0	0	0
41.02		0	0	0	0	0	0	0	0	0	0	0	0
42.00	Radiology - Therapeutic	752,999	0	0	259,666	0	0	0	0	0	0	0	0
43.00	Radioisotope -	442,377	0	0	20,186	136,955	0	0	0	0	0	0	0
44.00	Laboratory	12,019,636	0	0	995,256	214,319	0	0	0	0	0	0	0
45.00	PBP Clinical Lab Services	0	0	0	0	0	0	0	0	0	0	0	0
46.00	Whole Blood and Packed Red Blood Cells	2,660,564	0	0	0	0	0	0	0	0	0	0	0
47.00	Blood Storing, Processing, and Transport	0	0	0	0	0	0	0	0	0	0	0	0
49.00	Respiratory Therapy	6,141,883	0	0	158,696	0	0	0	0	0	0	0	0
49.01	Pulmonary Function	143,120	0	0	43,038	107,102	0	0	0	0	0	0	0
50.00	Physical Therapy	1,908,351	0	0	292,488	267	0	0	0	0	0	0	0
51.00	Occupational Therapy	736,905	0	0	11,488	14,727	0	0	0	0	0	0	0
52.00	Speech Pathology	259,375	0	0	11,488	0	0	0	0	0	0	0	0
53.00	Electrocardiology	1,721,302	0	0	136,295	0	0	0	0	0	0	0	0
54.00	Electroencephalography	401,901	0	0	76,476	94,164	0	0	0	0	0	0	0
55.00	Medical Supplies Charged to Patients	26,344,922	0	0	0	39,225	0	0	0	0	0	0	0
56.00	Drugs Charged to Patients	22,696,963	0	0	0	0	0	0	0	0	0	0	0
57.00	Renal Dialysis	1,947,563	0	0	0	0	0	0	0	0	0	0	0
58.00	ASC (Non-Distinct Part)	3,773,970	0	0	883,496	230,239	0	0	0	0	0	0	0
59.00		0	0	0	0	0	0	0	0	0	0	0	0
59.01		0	0	0	0	0	0	0	0	0	0	0	0
59.02		0	0	0	0	0	0	0	0	0	0	0	0
59.03		0	0	0	0	0	0	0	0	0	0	0	0
60.00	Clinic	14,423,088	0	0	1,586,921	164,810	0	0	0	0	0	0	0
60.01	Psych AES Unit	4,533,048	0	0	236,321	2,883	0	0	0	0	0	0	0
61.00	Emergency	12,057,489	0	0	632,651	293,035	0	0	0	0	0	0	0
62.00	Observation Beds (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
71.00	Home Health Agency	1,293,178	0	0	78,651	0	0	0	0	0	0	0	0
82.00		0	0	0	0	0	0	0	0	0	0	0	0
83.00	Kidney Acquisition	345,716	0	0	4,431	0	0	0	0	0	0	0	0
84.00		0	0	0	0	0	0	0	0	0	0	0	0
85.00		0	0	0	0	0	0	0	0	0	0	0	0
86.00		0	0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE COST CENTERS													
96.00	Gift, Flower, Coffee Shop & Canteen	0	0	0	44,023	0	0	0	0	0	0	0	0
97.00	Research	0	0	0	0	0	0	0	0	0	0	0	0
98.00	Physicians' Private Office	0	0	0	125,915	0	0	0	0	0	0	0	0
99.00	Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0	0
99.01	Marketing and Public Relations	516,070	0	0	23,058	0	0	0	0	0	0	0	0
99.02		0	0	0	0	0	0	0	0	0	0	0	0
99.03		0	0	0	0	0	0	0	0	0	0	0	0
99.04		0	0	0	0	0	0	0	0	0	0	0	0
99.05		0	0	0	0	0	0	0	0	0	0	0	0
100.00	Other Nonreimbursable Cost Centers	0	0	0	50,793	0	0	0	0	0	0	0	0
100.01	Other Nonreimbursable Cost Centers	309,087	0	0	12,021	0	0	0	0	0	0	0	0
100.02	Unused Space	0	0	0	1,171,184	0	0	0	0	0	0	0	0
100.03		0	0	0	0	0	0	0	0	0	0	0	0
100.04		0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		361,036,246	0	0	39,148,801	6,062,465	0	0	0	0	0	0	0

SCHEDULE 8.1

Fiscal Period Ended:
JUNE 30, 2007

TRIAL BALANCE EXPENSES	ALLOC COST 4.08	EMPLOYEE BENEFITS 5.00	NON-PATIENT PHONES 6.01	DATA PROCESSING 6.02	PURCHASING RECEIVING 6.03	ADMITTING 6.04	CASHIERING ACCTS REC 6.05	ALLOC COST 6.06	ALLOC COST 6.07	ALLOC COST 6.08	ACCUMULATE COST	ADMINIS- TRATIVE & GENERAL 6.00
GENERAL SERVICE COST CENTER												
1.00 Old Cap Rel Costs-Bldg & Fixtures												
2.00 Old Cap Rel Costs-Movable Equipment												
3.00 New Cap Rel Costs-Bldg & Fixtures												
4.00 New Cap Rel Costs-Movable Equipment												
4.01												
4.02												
4.03												
4.04												
4.05												
4.06												
4.07												
4.08												
5.00 Employee Benefits	0											
6.01 Non-Patient Telephones	0	0										
6.02 Data Processing	0	0	19,350									
6.03 Purchasing,Receiving,,and Stores	0	0	4,910	61,299								
6.04 Admitting	0	0	23,393	49,039	0							
6.05 Cashiering/Accounts Receivable	0	0	0	183,898	20,582	0						
6.06	0	0	0	0	0	0	0					
6.07	0	0	0	0	0	0	0	0				
6.08	0	0	0	0	0	0	0	0	0			
6.00 Administrative and General	0	0	149,022	563,953	65,638	0	0	0	0	0	28,453,856	
7.00 Maintenance and Repairs	0	0	15,018	0	74,472	0	0	0	0	0	5,340,125	456,871
8.00 Operation of Plant	0	0	4,043	0	12,145	0	0	0	0	0	14,828,797	1,268,668
9.00 Laundry and Linen Service	0	0	1,155	12,260	19	0	0	0	0	0	2,458,440	210,330
10.00 Housekeeping	0	0	7,220	288,107	168,178	0	0	0	0	0	9,335,243	798,670
11.00 Dietary	0	0	13,285	30,650	742,635	0	0	0	0	0	5,968,780	510,655
12.00 Cafeteria	0	0	0	30,650	0	0	0	0	0	0	3,521,434	301,274
13.00 Maintenance of Personnel	0	0	0	0	0	0	0	0	0	0	0	0
14.00 Nursing Administration	0	0	21,949	85,819	12,346	0	0	0	0	0	4,238,743	362,643
15.00 Central Services & Supply	0	0	4,332	61,299	26,327	0	0	0	0	0	3,310,475	283,225
16.00 Pharmacy	0	0	23,971	226,807	60,246	0	0	0	0	0	8,768,535	750,186
17.00 Medical Records and Library	0	0	19,638	239,067	24,630	0	0	0	0	0	6,960,710	595,519
18.00 Social Service	0	0	2,599	30,650	738	0	0	0	0	0	855,587	73,199
19.00	0	0	0	0	0	0	0	0	0	0	0	0
20.00	0	0	0	0	0	0	0	0	0	0	0	0
21.00	0	0	0	0	0	0	0	0	0	0	0	0
22.00 I&R Services - Salary and Fringes Approved	0	0	10,108	962,399	6,282	0	0	0	0	0	7,504,189	642,016
23.00 I&R Services - Other Program Costs Approv	0	0		67,429	0	0	0	0	0	0	6,316,138	540,373
24.00 Paramed Ed - School of Radiology	0	0	289	61,299	29	0	0	0	0	0	330,080	28,240
24.01 Paramed Ed - School of Anesthesia	0	0	0	0	0	0	0	0	0	0	227,337	19,450
24.02 Paramed Ed - School of Laboratory	0	0	0	0	246	0	0	0	0	0	36,637	3,134
INPATIENT ROUTINE COST CENTERS												
25.00 Adults & Pediatrics (Gen Routine)	0	0	48,519	925,619	89,315	18,567	717,881	0	0	0	40,633,717	3,476,390
26.00 Intensive Care Unit	0	0	19,927	281,977	26,688	4,885	188,864	0	0	0	11,100,285	949,677
27.00 Coronary Care Unit	0	0	0	0	0	0	0	0	0	0	0	0
28.00 Burn Intensive Care Unit	0	0	7,509	239,067	9,183	2,404	92,938	0	0	0	4,798,295	410,515
29.00 Surgical Intensive Care Unit	0	0	9,530	300,367	21,411	4,180	161,630	0	0	0	7,059,274	603,951
30.00 Neonatal Intensive Care Unit	0	0	7,798	165,508	22,076	5,655	218,631	0	0	0	7,097,533	607,225
31.00 Subprovider	0	0	26,570	79,689	13,381	5,314	205,447	0	0	0	12,856,770	1,099,952
32.00	0	0	0	0	0	0	0	0	0	0	0	0
33.00 Nursery	0	0	2,888	73,559	6,082	1,173	45,346	0	0	0	3,150,538	269,542
34.00 Medicare Certified Nursing Facility	0	0	0	0	0	0	0	0	0	0	0	0
35.00 Distinct Part Nursing Facility	0	0	0	0	0	0	0	0	0	0	0	0
36.00 Adult Subacute Care Unit	0	0	0	0	0	0	0	0	0	0	0	0
36.01 Subacute Care Unit II	0	0	0	0	0	0	0	0	0	0	0	0
36.02 Transitional Care Unit	0	0	0	0	0	0	0	0	0	0	0	0

STATE OF CALIFORNIA

COMPUTATION OF COST ALLOCATION (W/S B)

SCHEDULE 8.1

Provider Name:

Fiscal Period Ended:

ARROWHEAD REGIONAL MEDICAL CENTER

JUNE 30, 2007

TRIAL BALANCE EXPENSES	ALLOC COST 4.08	EMPLOYEE BENEFITS 5.00	NON-PATIENT PHONES 6.01	DATA PROCESSING 6.02	PURCHASING RECEIVING 6.03	ADMITTING 6.04	CASHIERING ACCTS REC 6.05	ALLOC COST 6.06	ALLOC COST 6.07	ALLOC COST 6.08	ACCUMULATE COST	ADMINIS- TRATIVE & GENERAL 6.00
ANCILLARY COST CENTERS												
37.00 Operating Room	0	0	48,519	140,988	63,890	11,924	461,029	0	0	0	11,440,239	978,762
38.00 Recovery Room	0	0	0	0	0	0	0	0	0	0	0	0
39.00 Delivery Room and Labor Room	0	0	15,595	147,118	41,142	2,853	144,248	0	0	0	7,481,694	640,091
40.00 Anesthesiology	0	0	0	0	0	0	0	0	0	0	0	0
41.00 Radiology - Diagnostic	0	0	39,566	288,107	204,375	8,726	778,836	0	0	0	13,648,827	1,167,716
41.01 Ultra Sound	0	0	2,022	12,260	1,268	304	46,859	0	0	0	1,044,762	89,384
41.02	0	0	0	0	0	0	0	0	0	0	0	0
42.00 Radiology - Therapeutic	0	0	866	0	113	6	35,792	0	0	0	1,049,442	89,784
43.00 Radioisotope	0	0	1,733	6,130	48,531	89	11,523	0	0	0	667,523	57,109
44.00 Laboratory	0	0	20,216	263,587	548,664	11,183	823,925	0	0	0	14,896,786	1,274,484
45.00 PBP Clinical Lab Services	0	0	0	0	0	0	0	0	0	0	0	0
46.00 Whole Blood and Packed Red Blood Cells	0	0	1,155	0	588,072	1,320	66,823	0	0	0	3,317,935	283,864
47.00 Blood Storing, Processing, and Transport	0	0	0	0	0	0	0	0	0	0	0	0
49.00 Respiratory Therapy	0	0	8,953	263,587	56,486	9,930	411,802	0	0	0	7,051,336	603,272
49.01 Pulmonary Function	0	0	289	6,130	79	2	2,515	0	0	0	302,275	25,861
50.00 Physical Therapy	0	0	3,754	67,429	1,922	553	38,532	0	0	0	2,313,298	197,913
51.00 Occupational Therapy	0	0	1,733	12,260	1,184	168	16,489	0	0	0	794,952	68,012
52.00 Speech Pathology	0	0	0	0	174	105	5,063	0	0	0	276,205	23,631
53.00 Electrocardiology	0	0	4,332	6,130	91,139	2,298	124,105	0	0	0	2,085,601	178,432
54.00 Electroencephalography	0	0	20,216	18,390	1,015	61	15,628	0	0	0	627,852	53,715
55.00 Medical Supplies Charged to Patients	0	0	0	0	0	17,386	886,490	0	0	0	27,288,024	2,334,608
56.00 Drugs Charged to Patients	0	0	0	0	0	12,691	1,023,748	0	0	0	23,733,402	2,030,495
57.00 Renal Dialysis	0	0	2,599	0	4,189	356	39,515	0	0	0	1,994,223	170,614
58.00 ASC (Non-Distinct Part)	0	0	0	55,169	0	0	211,584	0	0	0	5,154,459	440,986
59.00	0	0	0	0	0	0	0	0	0	0	0	0
59.01	0	0	0	0	0	0	0	0	0	0	0	0
59.02	0	0	0	0	0	0	0	0	0	0	0	0
59.03	0	0	0	0	0	0	0	0	0	0	0	0
60.00 Clinic	0	0	47,941	1,084,997	81,294	38	268,191	0	0	0	17,657,280	1,510,656
60.01 Psych AES Unit	0	0	2,888	0	15,456	202	26,892	0	0	0	4,817,690	412,174
61.00 Emergency	0	0	26,281	496,524	163,304	6,131	447,335	0	0	0	14,122,751	1,208,262
62.00 Observation Beds (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
71.00 Home Health Agency	0	0	4,621	85,819	3,299	1	8,574	0	0	0	1,474,142	126,119
82.00	0	0	0	0	0	0	0	0	0	0	0	0
83.00 Kidney Acquisition	0	0	866	12,260	26,457	54	2,094	0	0	0	391,879	33,527
84.00	0	0	0	0	0	0	0	0	0	0	0	0
85.00	0	0	0	0	0	0	0	0	0	0	0	0
86.00	0	0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE COST CENTERS												
96.00 Gift, Flower, Coffee Shop & Canteen	0	0	0	0	0	0	0	0	0	0	44,023	3,766
97.00 Research	0	0	0	0	0	0	0	0	0	0	0	0
98.00 Physicians' Private Office	0	0	0	0	0	0	0	0	0	0	125,915	10,773
99.00 Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0	0
99.01 Marketing and Public Relations	0	0	0	0	0	0	0	0	0	0	539,128	46,125
99.02	0	0	0	0	0	0	0	0	0	0	0	0
99.03	0	0	0	0	0	0	0	0	0	0	0	0
99.04	0	0	0	0	0	0	0	0	0	0	0	0
99.05	0	0	0	0	0	0	0	0	0	0	0	0
100.00 Other Nonreimbursable Cost Centers	0	0	0	0	0	0	0	0	0	0	50,793	4,346
100.01 Other Nonreimbursable Cost Centers	0	0	0	0	0	0	0	0	0	0	321,108	27,472
100.02 Unused Space	0	0	0	0	0	0	0	0	0	0	1,171,184	100,200
100.03	0	0	0	0	0	0	0	0	0	0	0	0
100.04	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	697,167	7,987,297	3,344,701	128,558	7,528,331	0	0	0	361,036,246	28,453,856

SCHEDULE 8.2

Fiscal Period Ended:

JUNE 30, 2007

	TRIAL BALANCE EXPENSES	MAINT & REPAIRS 7.00	OPER PLANT 8.00	LAUNDRY & LINEN 9.00	HOUSEKEEP 10.00	DIETARY 11.00	CAFE 12.00	MAINT OF PERSONNEL 13.00	NURSING ADMIN 14.00	CENTRAL SERVICE & SUPPLY 15.00	PHARMACY 16.00	MEDICAL RECORDS & LIBRARY 17.00	SOCIAL SERVICE 18.00
GENERAL SERVICE COST CENTER													
1.00	Old Cap Rel Costs-Bldg & Fixtures												
2.00	Old Cap Rel Costs-Movable Equipment												
3.00	New Cap Rel Costs-Bldg & Fixtures												
4.00	New Cap Rel Costs-Movable Equipment												
4.01													
4.02													
4.03													
4.04													
4.05													
4.06													
4.07													
4.08													
5.00	Employee Benefits												
6.01	Non-Patient Telephones												
6.02	Data Processing												
6.03	Purchasing,Receiving, and Stores												
6.04	Admitting												
6.05	Cashiering/Accounts Receivable												
6.06													
6.07													
6.08													
6.00	Administrative and General												
7.00	Maintenance and Repairs												
8.00	Operation of Plant	1,297,330											
9.00	Laundry and Linen Service	73,824	285,387										
10.00	Housekeeping	71,682	277,107	4,424									
11.00	Dietary	196,382	759,174	1,116	27,948								
12.00	Cafeteria	118,794	459,233	0	83,845	0							
13.00	Maintenance of Personnel	0	0	0	0	0	0						
14.00	Nursing Administration	28,276	109,310	446	12,089	0	130,059	0					
15.00	Central Services & Supply	72,438	280,032	251,176	59,862	0	60,347	0	163,655				
16.00	Pharmacy	106,089	410,119	0	79,842	0	0	0	0	67,121			
17.00	Medical Records and Library	115,786	447,605	0	159,722	0	236,705	0	0	478	0		
18.00	Social Service	5,278	20,404	0	99,783	0	39,598	0	0	0	0	0	
19.00		0	0	0	0	0	0	0	0	0	0	0	0
20.00		0	0	0	0	0	0	0	0	0	0	0	0
21.00		0	0	0	0	0	0	0	0	0	0	0	0
22.00	I&R Services - Salary and Fringes Approved	0	0	0	79,842	0	0	0	0	0	0	0	0
23.00	I&R Services - Other Program Costs Approved	86,676	335,072	0	23,867	0	323,374	0	0	0	0	0	0
24.00	Paramed Ed - School of Radiology	18,560	71,750	0	0	0	59,137	0	0	0	0	0	0
24.01	Paramed Ed - School of Anesthesia	18,560	71,750	0	0	0	609	0	0	0	0	0	0
24.02	Paramed Ed - School of Laboratory	0	0	0	0	0	0	0	0	0	0	0	0
INPATIENT ROUTINE COST CENTERS													
25.00	Adults & Pediatrics (Gen Routine)	993,371	3,840,172	988,608	2,758,890	4,505,829	812,257	0	1,608,735	396,157	0	812,113	413,475
26.00	Intensive Care Unit	113,407	438,407	174,493	483,054	169,236	191,860	0	575,563	142,080	0	213,655	107,197
27.00	Coronary Care Unit	0	0	0	0	0	0	0	0	0	0	0	0
28.00	Burn Intensive Care Unit	116,761	451,374	132,777	343,428	125,529	95,886	0	202,034	121,411	0	105,138	73,288
29.00	Surgical Intensive Care Unit	111,258	430,102	143,329	139,781	120,755	185,924	0	368,418	134,510	0	182,846	105,010
30.00	Neonatal Intensive Care Unit	66,788	258,190	72,969	0	0	124,642	0	364,692	101,902	0	247,329	86,414
31.00	Subprovider	547,588	2,116,865	290,405	982,472	1,790,254	408,358	0	629,104	16,418	0	232,415	156,420
32.00		0	0	0	0	0	0	0	0	0	0	0	0
33.00	Nursery	23,575	91,138	66,163	139,781	0	51,189	0	122,719	33,170	0	51,298	22,971
34.00	Medicare Certified Nursing Facility	0	0	0	0	0	0	0	0	0	0	0	0
35.00	Distinct Part Nursing Facility	0	0	0	0	0	0	0	0	0	0	0	0
36.00	Adult Subacute Care Unit	0	0	0	0	0	0	0	0	0	0	0	0
36.01	Subacute Care Unit II	0	0	0	0	0	0	0	0	0	0	0	0
36.02	Transitional Care Unit	0	0	0	0	0	0	0	0	0	0	0	0

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

TRIAL BALANCE EXPENSES	MAINT & REPAIRS 7.00	OPER PLANT 8.00	LAUNDRY & LINEN 9.00	HOUSEKEEP 10.00	DIETARY 11.00	CAFE 12.00	MAINT OF PERSONNEL 13.00	NURSING ADMIN 14.00	CENTRAL SERVICE & SUPPLY 15.00	PHARMACY 16.00	MEDICAL RECORDS & LIBRARY 17.00	SOCIAL SERVICE 18.00
ANCILLARY COST CENTERS												
37.00 Operating Room	314,176	1,214,539	90,518	1,767,011	0	205,574	0	689,013	2,158,558	0	521,545	0
38.00 Recovery Room	0	0	0	0	0	0	0	0	0	0	0	0
39.00 Delivery Room and Labor Room	64,031	247,529	191,702	538,950	0	145,443	0	0	88,457	0	163,182	0
40.00 Anesthesiology	0	0	0	0	0	0	0	0	0	0	0	0
41.00 Radiology - Diagnostic	158,768	613,765	141,446	231,517	0	239,354	0	0	219,657	0	881,069	0
41.01 Ultra Sound	3,187	12,322	37,672	0	0	16,066	0	0	1,445	0	53,010	0
41.02	0	0	0	0	0	0	0	0	0	0	0	0
42.00 Radiology - Therapeutic	40,590	156,912	0	8,007	0	4,148	0	0	127	0	40,491	0
43.00 Radioisotope	3,155	12,198	5,570	8,007	0	4,935	0	0	492	0	13,035	0
44.00 Laboratory	155,574	601,418	0	263,547	0	328,932	0	0	33,858	0	932,076	0
45.00 PBP Clinical Lab Services	0	0	0	0	0	0	0	0	0	0	0	0
46.00 Whole Blood and Packed Red Blood Cells	0	0	0	0	0	0	0	0	216	0	75,595	0
47.00 Blood Storing, Processing, and Transport	0	0	0	0	0	0	0	0	0	0	0	0
49.00 Respiratory Therapy	24,807	95,898	46	27,948	0	231,191	0	0	39,476	0	465,856	0
49.01 Pulmonary Function	6,728	26,007	0	8,007	0	4,082	0	0	2,743	0	2,845	0
50.00 Physical Therapy	45,721	176,746	0	47,928	0	46,477	0	0	20,412	0	43,590	0
51.00 Occupational Therapy	1,796	6,942	0	47,928	0	19,769	0	0	8,957	0	18,653	0
52.00 Speech Pathology	1,796	6,942	0	0	0	0	0	0	0	0	5,727	0
53.00 Electrocardiology	21,305	82,361	0	19,941	0	7,317	0	0	127,888	0	140,395	0
54.00 Electroencephalography	11,954	46,213	0	19,941	0	0	0	0	1,619	0	17,680	0
55.00 Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	0	0	1,002,854	0
56.00 Drugs Charged to Patients	0	0	0	0	0	0	0	0	0	10,181,891	1,158,129	0
57.00 Renal Dialysis	0	0	748	0	0	0	0	117,001	73,487	0	44,702	0
58.00 ASC (Non-Distinct Part)	138,104	533,883	40,668	312,992	0	0	0	0	0	0	239,358	0
59.00	0	0	0	0	0	0	0	0	0	0	0	0
59.01	0	0	0	0	0	0	0	0	0	0	0	0
59.02	0	0	0	0	0	0	0	0	0	0	0	0
59.03	0	0	0	0	0	0	0	0	0	0	0	0
60.00 Clinic	248,061	958,952	109,368	443,210	50,934	84,799	0	25,341	228,208	0	303,394	27,346
60.01 Psych AES Unit	36,941	142,805	6,315	66,314	353,973	9,966	0	0	13,843	0	30,422	101,728
61.00 Emergency	98,893	382,302	277,265	1,181,804	347,544	343,485	0	0	447,677	0	506,054	0
62.00 Observation Beds (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
71.00 Home Health Agency	12,294	47,527	0	19,863	0	69,178	0	0	844	0	9,699	0
82.00	0	0	0	0	0	0	0	0	0	0	0	0
83.00 Kidney Acquisition	693	2,678	0	0	0	3,918	0	15,291	0	0	2,369	0
84.00	0	0	0	0	0	0	0	0	0	0	0	0
85.00	0	0	0	0	0	0	0	0	0	0	0	0
86.00	0	0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE COST CENTERS												
96.00 Gift, Flower, Coffee Shop & Canteen	0	0	0	0	0	0	0	0	0	0	0	0
97.00 Research	0	0	0	0	0	0	0	0	0	0	0	0
98.00 Physicians' Private Office	29,501	114,046	0	0	0	0	0	0	0	0	0	0
99.00 Nonpaid Workers	3,604	13,933	0	0	0	0	0	0	0	0	0	0
99.01 Marketing and Public Relations	0	0	0	0	0	0	0	0	0	0	0	0
99.02	0	0	0	0	0	0	0	0	0	0	0	0
99.03	0	0	0	0	0	0	0	0	0	0	0	0
99.04	0	0	0	0	0	0	0	0	0	0	0	0
99.05	0	0	0	0	0	0	0	0	0	0	0	0
100.00 Other Nonreimbursable Cost Centers	0	0	0	0	0	0	0	0	0	0	0	0
100.01 Other Nonreimbursable Cost Centers	9,819	37,957	758	0	0	0	0	0	0	0	0	0
100.02 Unused Space	183,075	707,729	0	0	0	0	0	0	0	0	0	0
100.03	0	0	0	0	0	0	0	0	0	0	0	0
100.04	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	5,796,996	17,394,795	3,027,982	10,487,125	7,464,055	4,484,580	0	4,881,567	4,481,211	10,181,891	8,516,525	1,093,849

SCHEDULE 8.3

JUNE 30, 2007

TRIAL BALANCE		ALLOC	ALLOC	ALLOC	NON-	NURSING	INT & RES	INT & RES	PARAMED	SUBTOTAL	POST	TOTAL
EXPENSES		COST	COST	COST	PHYSICIAN	SCHOOL	SALARY &	PROGRAM	EDUCAT		STEP-DOWN	COST
		19.00	20.00	21.00	ANESTH	23.00	FRINGES	24.01	24.02	25.00	ADJUSTMENT	
					22.00		24.00				(Adj 14)	27.00
											26.00	
GENERAL SERVICE COST CENTER												
1.00	Old Cap Rel Costs-Bldg & Fixtures											
2.00	Old Cap Rel Costs-Movable Equipment											
3.00	New Cap Rel Costs-Bldg & Fixtures											
4.00	New Cap Rel Costs-Movable Equipment											
4.01												
4.02												
4.03												
4.04												
4.05												
4.06												
4.07												
4.08												
5.00	Employee Benefits											
6.01	Non-Patient Telephones											
6.02	Data Processing											
6.03	Purchasing,Receiving, and Stores											
6.04	Admitting											
6.05	Cashiering/Accounts Receivable											
6.06												
6.07												
6.08												
6.00	Administrative and General											
7.00	Maintenance and Repairs											
8.00	Operation of Plant											
9.00	Laundry and Linen Service											
10.00	Housekeeping											
11.00	Dietary											
12.00	Cafeteria											
13.00	Maintenance of Personnel											
14.00	Nursing Administration											
15.00	Central Services & Supply											
16.00	Pharmacy											
17.00	Medical Records and Library											
18.00	Social Service											
19.00												
20.00		0										
21.00		0	0									
22.00	I&R Services - Salary and Fringes Approved	0		0								
23.00	I&R Services - Other Program Costs Approv	0	0	0	0							
24.00	Paramed Ed - School of Radiology	0	0	0	0	0						
24.01	Paramed Ed - School of Anesthesia	0	0	0	0	0	0					
24.02	Paramed Ed - School of Laboratory	0	0	0	0	0	0	0				
INPATIENT ROUTINE COST CENTERS												
25.00	Adults & Pediatrics (Gen Routine)	0	0	0	4,606,586	4,270,280	0	0	0	70,116,579	0	70,116,579
26.00	Intensive Care Unit	0	0	0	501,789	465,155	0	0	0	15,625,860	0	15,625,860
27.00	Coronary Care Unit	0	0	0	0	0	0	0	0	0		0
28.00	Burn Intensive Care Unit	0	0	0	312,590	289,769	0	0	0	7,578,794	0	7,578,794
29.00	Surgical Intensive Care Unit	0	0	0	287,912	266,892	0	0	0	10,139,961	0	10,139,961
30.00	Neonatal Intensive Care Unit	0	0	0	0	0	0	0	0	9,027,685		9,027,685
31.00	Subprovider	0	0	0	0	0	0	0	0	21,127,022		21,127,022
32.00		0	0	0	0	0	0	0	0	0		0
33.00	Nursery	0	0	0	378,398	350,773	0	0	0	4,751,257	0	4,751,257
34.00	Medicare Certified Nursing Facility	0	0	0	0	0	0	0	0	0		0
35.00	Distinct Part Nursing Facility	0	0	0	0	0	0	0	0	0		0
36.00	Adult Subacute Care Unit	0	0	0	0	0	0	0	0	0		0
36.01	Subacute Care Unit II	0	0	0	0	0	0	0	0	0		0
36.02	Transitional Care Unit	0	0	0	0	0	0	0	0	0		0

STATE OF CALIFORNIA

COMPUTATION OF COST ALLOCATION (W/S B)

SCHEDULE 8.3

Provider Name:

Fiscal Period Ended:

ARROWHEAD REGIONAL MEDICAL CENTER

JUNE 30, 2007

	TRIAL BALANCE EXPENSES	ALLOC COST 19.00	ALLOC COST 20.00	ALLOC COST 21.00	NON- PHYSICIAN ANESTH 22.00	NURSING SCHOOL 23.00	INT & RES SALARY & FRINGES 24.00	INT & RES PROGRAM 24.01	PARAMED EDUCAT 24.02	SUBTOTAL 25.00	POST STEP-DOWN ADJUSTMENT (Adj 14) 26.00	TOTAL COST 27.00
ANCILLARY COST CENTERS												
37.00	Operating Room	0	0	0	1,036,482	960,813	0	219,508	0	21,596,736	0	21,596,736
38.00	Recovery Room	0	0	0	0	0	0	0	0	0	0	0
39.00	Delivery Room and Labor Room	0	0	0	0	0	0	0	0	9,561,078	0	9,561,078
40.00	Anesthesiology	0	0	0	0	0	0	0	0	0	0	0
41.00	Radiology - Diagnostic	0	0	0	0	0	507,767	0	39,771	17,849,657	0	17,849,657
41.01	Ultra Sound	0	0	0	115,165	106,757	0	0	0	1,479,771	0	1,479,771
41.02		0	0	0	0	0	0	0	0	0	0	0
42.00	Radiology - Therapeutic	0	0	0	0	0	0	0	0	1,389,502	0	1,389,502
43.00	Radioisotope	0	0	0	0	0	0	0	0	772,025	0	772,025
44.00	Laboratory	0	0	0	16,452	15,251	0	0	0	18,518,380	0	18,518,380
45.00	PBP Clinical Lab Services	0	0	0	0	0	0	0	0	0	0	0
46.00	Whole Blood and Packed Red Blood Cells	0	0	0	0	0	0	0	0	3,677,610	0	3,677,610
47.00	Blood Storing, Processing, and Transport	0	0	0	0	0	0	0	0	0	0	0
49.00	Respiratory Therapy	0	0	0	57,582	53,378	0	0	0	8,650,791	0	8,650,791
49.01	Pulmonary Function	0	0	0	0	0	0	0	0	378,547	0	378,547
50.00	Physical Therapy	0	0	0	0	0	0	0	0	2,892,084	0	2,892,084
51.00	Occupational Therapy	0	0	0	0	0	0	0	0	967,009	0	967,009
52.00	Speech Pathology	0	0	0	0	0	0	0	0	314,301	0	314,301
53.00	Electrocardiology	0	0	0	0	0	0	0	0	2,663,240	0	2,663,240
54.00	Electroencephalography	0	0	0	0	0	0	0	0	778,975	0	778,975
55.00	Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	30,625,486	0	30,625,486
56.00	Drugs Charged to Patients	0	0	0	0	0	0	0	0	37,103,918	0	37,103,918
57.00	Renal Dialysis	0	0	0	0	0	0	0	0	2,400,774	0	2,400,774
58.00	ASC (Non-Distinct Part)	0	0	0	0	0	0	118,197	0	6,978,647	0	6,978,647
59.00		0	0	0	0	0	0	0	0	0	0	0
59.01		0	0	0	0	0	0	0	0	0	0	0
59.02		0	0	0	0	0	0	0	0	0	0	0
59.03		0	0	0	0	0	0	0	0	0	0	0
60.00	Clinic	0	0	0	830,831	770,175	0	0	0	23,248,557	0	23,248,557
60.01	Psych AES Unit	0	0	0	0	0	0	0	0	5,992,173	0	5,992,173
61.00	Emergency	0	0	0	82,260	76,255	0	0	0	19,074,552	0	19,074,552
62.00	Observation Beds (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0
71.00	Home Health Agency	0	0	0	0	0	0	0	0	1,759,666	0	1,759,666
82.00		0	0	0	0	0	0	0	0	0	0	0
83.00	Kidney Acquisition	0	0	0	0	0	0	0	0	450,354	0	450,354
84.00		0	0	0	0	0	0	0	0	0	0	0
85.00		0	0	0	0	0	0	0	0	0	0	0
86.00		0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE COST CENTERS												
96.00	Gift, Flower, Coffee Shop & Canteen	0	0	0	0	0	0	0	0	47,789	0	47,789
97.00	Research	0	0	0	0	0	0	0	0	0	0	0
98.00	Physicians' Private Office	0	0	0	0	0	0	0	0	280,234	0	280,234
99.00	Nonpaid Workers	0	0	0	0	0	0	0	0	17,538	0	17,538
99.01	Marketing and Public Relations	0	0	0	0	0	0	0	0	585,252	0	585,252
99.02		0	0	0	0	0	0	0	0	0	0	0
99.03		0	0	0	0	0	0	0	0	0	0	0
99.04		0	0	0	0	0	0	0	0	0	0	0
99.05		0	0	0	0	0	0	0	0	0	0	0
100.00	Other Nonreimbursable Cost Centers	0	0	0	0	0	0	0	0	55,138	0	55,138
100.01	Other Nonreimbursable Cost Centers	0	0	0	0	0	0	0	0	397,114	0	397,114
100.02	Unused Space	0	0	0	0	0	0	0	0	2,162,188	0	2,162,188
100.03		0	0	0	0	0	0	0	0	0	0	0
100.04		0	0	0	0	0	0	0	0	0	0	0
TOTAL		0	0	0	8,226,047	7,625,500	507,767	337,705	39,771	361,036,245	0	361,036,245

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

SCHEDULE 9

Fiscal Period Ended:
JUNE 30, 2007

[illegible]

SCHEDULE 9

Fiscal Period Ended:

JUNE 30, 2007

[illegible]

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

SCHEDULE 9.1

Fiscal Period Ended:
JUNE 30, 2007

	EMP BENE (GROSS SALARIES) 5.00	NON-PAT TEL DATA PROCES (# OF PHONES) 6.01	(TIME SPENT) 6.02	PURCH/REC (COST REQUIS) 6.03	ADMITTING (GROSS IP REVENUE) 6.04 (Adj 19)	CASHIER/AR (TOTAL GROSS REV) 6.05	STAT 6.06	STAT 6.07	STAT 6.08	ADM & GEN (ACCUM COST)	MAINT & REPAIRS (SQ FT) 7.00 (Adjs 15-18)
GENERAL SERVICE COST CENTERS											
1.00	Old Cap Rel Costs-Bldg & Fixtures										
2.00	Old Cap Rel Costs-Movable Equipment										
3.00	New Cap Rel Costs-Bldg & Fixtures										
4.00	New Cap Rel Costs-Movable Equipment										
4.01											
4.02											
4.03											
4.04											
4.05											
4.06											
4.07											
4.08											
5.00	Employee Benefits										
6.01	Non-Patient Telephones										
6.02	Data Processing	67									
6.03	Purchasing, Receiving, and Stores	17	10								
6.04	Admitting	81	8								
6.05	Cashiering/Accounts Receivable		30	93,003							
6.06											
6.07											
6.08											
6.00	Administrative and General	516	92	296,598							
7.00	Maintenance and Repairs	52		336,516						5,340,125	
8.00	Operation of Plant	14		54,882						14,828,797	202,287
9.00	Laundry and Linen Service	4	2	88						2,458,440	11,511
10.00	Housekeeping	25	47	759,948						9,335,243	11,177
11.00	Dietary	46	5	3,355,757						5,968,780	30,621
12.00	Cafeteria		5							3,521,434	18,523
13.00	Maintenance of Personnel									0	
14.00	Nursing Administration	76	14	55,788						4,238,743	4,409
15.00	Central Services & Supply	15	10	118,964						3,310,475	11,295
16.00	Pharmacy	83	37	272,234						8,768,535	16,542
17.00	Medical Records and Library	68	39	111,295						6,960,710	18,054
18.00	Social Service	9	5	3,336						855,587	823
19.00										0	
20.00										0	
21.00										0	
22.00	I&R Services - Salary and Fringes Approved	35	157	28,388						7,504,189	
23.00	I&R Services - Other Program Costs Approved		11							6,316,138	13,515
24.00	Paramed Ed - School of Radiology	1	10	130						330,080	2,894
24.01	Paramed Ed - School of Anesthesia									227,337	2,894
24.02	Paramed Ed - School of Laboratory			1,110						36,637	
INPATIENT ROUTINE COST CENTERS											
25.00	Adults & Pediatrics (Gen Routine)	168	151	403,591	99,328,318	99,328,318				40,633,717	154,892
26.00	Intensive Care Unit	69	46	120,597	26,131,842	26,131,842				11,100,285	17,683
27.00	Coronary Care Unit									0	
28.00	Burn Intensive Care Unit	26	39	41,494	12,859,230	12,859,230				4,798,295	18,206
29.00	Surgical Intensive Care Unit	33	49	96,751	22,363,614	22,363,614				7,059,274	17,348
30.00	Neonatal Intensive Care Unit	27	27	99,754	30,250,497	30,250,497				7,097,533	10,4

STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.1

Provider Name:

Fiscal Period Ended:

ARROWHEAD REGIONAL MEDICAL CENTER

JUNE 30, 2007

	EMP BENE (GROSS SALARIES) 5.00	NON-PAT TEL (# OF PHONES) 6.01	DATA PROCES (TIME SPENT) 6.02	PURCH/REC (COST REQUIS) 6.03	ADMITTING (GROSS IP REVENUE) 6.04 (Adj 19)	CASHIER/AR (TOTAL GROSS REV) 6.05	STAT 6.06	STAT 6.07	STAT 6.08	ADM & GEN (ACCU M COST)	MAINT & REPAIRS (SQ FT) 7.00 (Adjs 15-18)
ANCILLARY COST CENTERS											
37.00 Operating Room		168	23	288,699	63,789,376	63,789,376				11,440,239	48,988
38.00 Recovery Room										0	
39.00 Delivery Room and Labor Room		54	24	185,909	15,262,356	19,958,595				7,481,694	9,984
40.00 Anesthesiology										0	
41.00 Radiology - Diagnostic		137	47	923,512	46,681,026	107,762,267				13,648,827	24,756
41.01 Ultra Sound		7	2	5,729	1,623,841	6,483,550				1,044,762	497
41.02										0	
42.00 Radiology - Therapeutic		3		510	29,736	4,952,345				1,049,442	6,329
43.00 Radioisotope		6	1	219,299	476,238	1,594,293				667,523	492
44.00 Laboratory		70	43	2,479,260	59,822,554	114,000,868				14,896,786	24,258
45.00 PBP Clinical Lab Services										0	
46.00 Whole Blood and Packed Red Blood Cells		4		2,657,333	7,061,517	9,245,909				3,317,935	
47.00 Blood Storing, Processing, and Transport										0	
49.00 Respiratory Therapy		31	43	255,243	53,120,388	56,978,167				7,051,336	3,868
49.01 Pulmonary Function		1	1	357	13,282	347,926				302,275	1,049
50.00 Physical Therapy		13	11	8,685	2,960,183	5,331,469				2,313,298	7,129
51.00 Occupational Therapy		6	2	5,348	896,747	2,281,420				794,952	280
52.00 Speech Pathology				786	563,779	700,514				276,205	280
53.00 Electrocardiology		15	1	411,833	12,291,600	17,171,562				2,085,601	3,322
54.00 Electroencephalography		70	3	4,588	327,851	2,162,362				627,852	1,864
55.00 Medical Supplies Charged to Patients					93,010,440	122,657,590				27,288,024	0
56.00 Drugs Charged to Patients					67,891,723	141,649,076				23,733,402	
57.00 Renal Dialysis		9		18,930	1,906,107	5,467,398				1,994,223	0
58.00 ASC (Non-Distinct Part)			9			29,275,486				5,154,459	21,534
59.00										0	
59.01										0	
59.02										0	
59.03										0	
60.00 Clinic		166	177	367,344	204,258	37,107,733				17,657,280	38,679
60.01 Psych AES Unit		10		69,842	1,081,115	3,720,924				4,817,690	5,760
61.00 Emergency		91	81	737,925	32,801,014	61,894,669				14,122,751	15,420
62.00 Observation Beds (Non-Distinct Part)										0	
71.00 Home Health Agency		16	14	14,905	3,369	1,186,319				1,474,142	1,917
82.00										0	
83.00 Kidney Acquisition		3	2	119,551	289,767	289,767				391,879	108
84.00										0	
85.00										0	
86.00										0	
NONREIMBURSABLE COST CENTERS											
96.00 Gift, Flower, Coffee Shop & Canteen										44,023	
97.00 Research										0	
98.00 Physicians' Private Office										125,915	4,600
99.00 Nonpaid Workers										0	562
99.01 Marketing and Public Relations										539,128	
99.02										0	
99.03										0	
99.04										0	
99.05										0	
100.00 Other Nonreimbursable Cost Centers										50,793	
100.01 Other Nonreimbursable Cost Centers										321,108	1,531
100.02 Unused Space										1,171,184	28,546
100.03										0	
100.04										0	
TOTAL	0	2,414	1,303	15,113,758	687,742,337	1,041,643,655	0	0	0	332,582,389	903,900
COST TO BE ALLOCATED	0	697,167	7,987,297	3,344,701	128,559	7,528,331	0	0	0	28,453,856	5,796,996
UNIT COST MULTIPLIER - SCH 8	0.000000	288.801444	6129.928994	0.221302	0.000187	0.007227	0.000000	0.000000	0.000000	0.085554	6.413316

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

SCHEDULE 9.2

Fiscal Period Ended:
JUNE 30, 2007

	OPER PLANT (SQ FT) 8.00 (Adjs 15-18)	LAUNDRY & LINEN (LB LNDRY) 9.00	HOUSE- KEEPING (HR SERV) 10.00	DIETARY (MEALS SERVED) 11.00	CAFETERIA (CAFETERIA MEALS) 12.00	MAINT OF PERSONNEL (# HOUSED) 13.00	NURSING ADMIN (NURSE HR) 14.00	CENT SERV & SUPPLY (CST REQ) 15.00	PHARMACY (COSTS REQUIS) 16.00	MED REC (TOTAL GROSS REV) 17.00	SOC SERV (ASSIGNED TIME) 18.00	STAT 19.00
GENERAL SERVICE COST CENTERS												
1.00	Old Cap Rel Costs-Bldg & Fixtures											
2.00	Old Cap Rel Costs-Movable Equipment											
3.00	New Cap Rel Costs-Bldg & Fixtures											
4.00	New Cap Rel Costs-Movable Equipment											
4.01												
4.02												
4.03												
4.04												
4.05												
4.06												
4.07												
4.08												
5.00	Employee Benefits											
6.01	Non-Patient Telephones											
6.02	Data Processing											
6.03	Purchasing,Receiving, and Stores											
6.04	Admitting											
6.05	Cashiering/Accounts Receivable											
6.06												
6.07												
6.08												
6.00	Administrative and General											
7.00	Maintenance and Repairs											
8.00	Operation of Plant											
9.00	Laundry and Linen Service	11,511										
10.00	Housekeeping	11,177	3,083									
11.00	Dietary	30,621	778	719								
12.00	Cafeteria	18,523		2,157								
13.00	Maintenance of Personnel											
14.00	Nursing Administration	4,409	311	311	17,526							
15.00	Central Services & Supply	11,295	175,059	1,540	8,132		3,778					
16.00	Pharmacy	16,542		2,054				311,507				
17.00	Medical Records and Library	18,054		4,109	31,897			2,219				
18.00	Social Service	823		2,567	5,336							
19.00												
20.00												
21.00												
22.00	I&R Services - Salary and Fringes Approved			2,054								
23.00	I&R Services - Other Program Costs Approved	13,515		614	43,576							
24.00	Paramed Ed - School of Radiology	2,894			7,969							
24.01	Paramed Ed - School of Anesthesia	2,894			82							
24.02	Paramed Ed - School of Laboratory											
INPATIENT ROUTINE COST CENTERS												
25.00	Adults & Pediatrics (Gen Routine)	154,892	689,017	70,975	236,905	109,455	37,138	1,838,549		99,328,318	378	
26.00	Intensive Care Unit	17,683	121,614	12,427	8,898	25,854	13,287	659,389		26,131,842	98	
27.00	Coronary Care Unit											
28.00	Burn Intensive Care Unit	18,206	92,540	8,835	6,600	12,921	4,664	583,464		12,859,230	67	
29.00	Surgical Intensive Care Unit	17,348	99,894	3,596	6,349	25,054	8,505	624,254		22,363,614	96	
30.00	Neonatal Intensive Care Unit	10,414	50,856			16,796	8,419	472,925		30,250,497	79	
31.00	Subprovider	85,383	202,400	25,275	94,127	55,028	14,523	76,194		28,426,345	143	
32.00												
33.00	Nursery	3,676	46,113	3,596		6,898	2,833	153,940		6,274,224	21	
34.00	Medicare Certified Nursing Facility											
35.00	Distinct Part Nursing Facility											
36.00	Adult Subacute Care Unit											
36.01	Subacute Care Unit II											
36.02	Transitional Care Unit											

STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.2

Provider Name:

Fiscal Period Ended:

ARROWHEAD REGIONAL MEDICAL CENTER

JUNE 30, 2007

	OPER PLANT (SQ FT) 8.00 (Adjs 15-18)	LAUNDRY & LINEN (LB LNDRY) 9.00	HOUSE- KEEPING (HR SERV) 10.00	DIETARY (MEALS SERVED) 11.00	CAFETERIA (CAFETERIA MEALS) 12.00	MAINT OF PERSONNEL (# HOUSED) 13.00	NURSING ADMIN (NURSE HR) 14.00	CENT SERV & SUPPLY (CST REQ) 15.00	PHARMACY (COSTS REQUIS) 16.00	MED REC (TOTAL GROSS REV) 17.00	SOC SERV (ASSIGNED TIME) 18.00	STAT 19.00
ANCILLARY COST CENTERS												
37.00	Operating Room	48,988	63,087	45,458	27,702		15,906	10,017,775		63,789,376		
38.00	Recovery Room											
39.00	Delivery Room and Labor Room	9,984	133,608	13,865	19,599			410,523		19,958,595		
40.00	Anesthesiology											
41.00	Radiology - Diagnostic	24,756	98,582	5,956	32,254			1,019,417		107,762,267		
41.01	Ultra Sound	497	26,256		2,165			6,708		6,483,550		
41.02												
42.00	Radiology - Therapeutic	6,329		206	559			588		4,952,345		
43.00	Radioisotope	492	3,882	206	665			2,283		1,594,293		
44.00	Laboratory	24,258		6,780	44,325			157,134		114,000,868		
45.00	PBP Clinical Lab Services											
46.00	Whole Blood and Packed Red Blood Cells							1,003		9,245,909		
47.00	Blood Storing, Processing, and Transport											
49.00	Respiratory Therapy	3,868	32	719	31,154			183,208		56,978,167		
49.01	Pulmonary Function	1,049		206	550			12,728		347,926		
50.00	Physical Therapy	7,129		1,233	6,263			94,729		5,331,469		
51.00	Occupational Therapy	280		1,233	2,664			41,571		2,281,420		
52.00	Speech Pathology	280								700,514		
53.00	Electrocardiology	3,322		513	986			593,521		17,171,562		
54.00	Electroencephalography	1,864		513				7,515		2,162,362		
55.00	Medical Supplies Charged to Patients	0								122,657,590		
56.00	Drugs Charged to Patients									141,649,076		
57.00	Renal Dialysis	0	521				2,701	341,050	22,371,907	5,467,398		
58.00	ASC (Non-Distinct Part)	21,534	28,344	8,052						29,275,486		
59.00												
59.01												
59.02												
59.03												
60.00	Clinic	38,679	76,225	11,402	2,678	11,427	585	1,059,105		37,107,733	25	
60.01	Psych AES Unit	5,760	4,401	1,706	18,611	1,343		64,246		3,720,924	93	
61.00	Emergency	15,420	193,242	30,403	18,273	46,286		2,077,650		61,894,669		
62.00	Observation Beds (Non-Distinct Part)											
71.00	Home Health Agency	1,917		511		9,322		3,915		1,186,319		
82.00												
83.00	Kidney Acquisition	108			528		353			289,767		
84.00												
85.00												
86.00												
NONREIMBURSABLE COST CENTERS												
96.00	Gift, Flower, Coffee Shop & Canteen											
97.00	Research											
98.00	Physicians' Private Office	4,600										
99.00	Nonpaid Workers	562										
99.01	Marketing and Public Relations											
99.02												
99.03												
99.04												
99.05												
100.00	Other Nonreimbursable Cost Centers											
100.01	Other Nonreimbursable Cost Centers	1,531	528									
100.02	Unused Space	28,546										
100.03												
100.04												
TOTAL												
		701,613	2,110,373	269,791	392,441	604,316	0	112,692	20,797,110	22,371,907	1,041,643,655	1,000
COST TO BE ALLOCATED												
		17,394,795	3,027,982	10,487,125	7,464,055	4,484,580	0	4,881,567	4,481,211	10,181,891	8,516,526	1,093,849
UNIT COST MULTIPLIER - SCH 8												
		24.792578	1.434809	38.871293	19.019559	7.420918	0.000000	43.317774	0.215473	0.455120	0.008176	1093.849380

STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.3

Provider Name:

Fiscal Period Ended:

ARROWHEAD REGIONAL MEDICAL CENTER

JUNE 30, 2007

	STAT	STAT	I&R SVCS SALARY (TIME SPENT)	I&R SVCS OTHER PROG (TIME SPENT)	PARAMED ED- SCH OF RADIO (TIME SPENT)	PARAMED ED- SCH OF ANES1 (TIME SPENT)	PARAMED ED- SCH OF LAB (TIME SPENT)
	20.00	21.00	22.00	23.00	24.00	24.01	24.02
GENERAL SERVICE COST CENTERS							
1.00	Old Cap Rel Costs-Bldg & Fixtures						
2.00	Old Cap Rel Costs-Movable Equipment						
3.00	New Cap Rel Costs-Bldg & Fixtures						
4.00	New Cap Rel Costs-Movable Equipment						
4.01							
4.02							
4.03							
4.04							
4.05							
4.06							
4.07							
4.08							
5.00	Employee Benefits						
6.01	Non-Patient Telephones						
6.02	Data Processing						
6.03	Purchasing,Receiving, and Stores						
6.04	Admitting						
6.05	Cashiering/Accounts Receivable						
6.06							
6.07							
6.08							
6.00	Administrative and General						
7.00	Maintenance and Repairs						
8.00	Operation of Plant						
9.00	Laundry and Linen Service						
10.00	Housekeeping						
11.00	Dietary						
12.00	Cafeteria						
13.00	Maintenance of Personnel						
14.00	Nursing Administration						
15.00	Central Services & Supply						
16.00	Pharmacy						
17.00	Medical Records and Library						
18.00	Social Service						
19.00							
20.00							
21.00							
22.00	I&R Services - Salary and Fringes Approved						
23.00	I&R Services - Other Program Costs Approved						
24.00	Paramed Ed - School of Radiology						
24.01	Paramed Ed - School of Anesthesia						
24.02	Paramed Ed - School of Laboratory						
INPATIENT ROUTINE COST CENTERS							
25.00	Adults & Pediatrics (Gen Routine)		560	560			
26.00	Intensive Care Unit		61	61			
27.00	Coronary Care Unit						
28.00	Burn Intensive Care Unit		38	38			
29.00	Surgical Intensive Care Unit		35	35			
30.00	Neonatal Intensive Care Unit						
31.00	Subprovider						
32.00							
33.00	Nursery		46	46			
34.00	Medicare Certified Nursing Facility						
35.00	Distinct Part Nursing Facility						
36.00	Adult Subacute Care Unit						
36.01	Subacute Care Unit II						
36.02	Transitional Care Unit						

STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.3

Provider Name:

Fiscal Period Ended:

ARROWHEAD REGIONAL MEDICAL CENTER

JUNE 30, 2007

	STAT	STAT	I&R SVCS SALARY (TIME SPENT)	I&R SVCS OTHER PROG (TIME SPENT)	PARAMED ED- SCH OF RADIOSCH (TIME SPENT)	PARAMED ED- SCH OF ANES1 (TIME SPENT)	PARAMED ED- SCH OF LAB (TIME SPENT)
	20.00	21.00	22.00	23.00	24.00	24.01	24.02
ANCILLARY COST CENTERS							
37.00 Operating Room			126	126		650	
38.00 Recovery Room							
39.00 Delivery Room and Labor Room							
40.00 Anesthesiology							
41.00 Radiology - Diagnostic					1,000		1,000
41.01 Ultra Sound			14	14			
41.02							
42.00 Radiology - Therapeutic							
43.00 Radioisotope							
44.00 Laboratory			2	2			
45.00 PBP Clinical Lab Services							
46.00 Whole Blood and Packed Red Blood Cells							
47.00 Blood Storing, Processing, and Transport							
49.00 Respiratory Therapy			7	7			
49.01 Pulmonary Function							
50.00 Physical Therapy							
51.00 Occupational Therapy							
52.00 Speech Pathology							
53.00 Electrocardiology							
54.00 Electroencephalography							
55.00 Medical Supplies Charged to Patients							
56.00 Drugs Charged to Patients							
57.00 Renal Dialysis							
58.00 ASC (Non-Distinct Part)						350	
59.00							
59.01							
59.02							
59.03							
60.00 Clinic			101	101			
60.01 Psych AES Unit							
61.00 Emergency			10	10			
62.00 Observation Beds (Non-Distinct Part)							
71.00 Home Health Agency							
82.00							
83.00 Kidney Acquisition							
84.00							
85.00							
86.00							
NONREIMBURSABLE COST CENTERS							
96.00 Gift, Flower, Coffee Shop & Canteen							
97.00 Research							
98.00 Physicians' Private Office							
99.00 Nonpaid Workers							
99.01 Marketing and Public Relations							
99.02							
99.03							
99.04							
99.05							
100.00 Other Nonreimbursable Cost Centers							
100.01 Other Nonreimbursable Cost Centers							
100.02 Unused Space							
100.03							
100.04							
TOTAL	0	0	1,000	1,000	1,000	1,000	1,000
COST TO BE ALLOCATED	0	0	8,226,047	7,625,500	507,767	337,705	39,771
UNIT COST MULTIPLIER - SCH 8	0.000000	0.000000	8226.046575	7625.499545	507.766690	337.704953	39.771068

TRIAL BALANCE OF EXPENSES

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	GENERAL SERVICE COST CENTERS			
1.00	Old Cap Rel Costs-Bldg & Fixtures	\$	\$ 0	\$ 0
2.00	Old Cap Rel Costs-Movable Equipment		0	0
3.00	New Cap Rel Costs-Bldg & Fixtures	43,676,057	(4,527,256)	39,148,801
4.00	New Cap Rel Costs-Movable Equipment	10,368,202	(4,305,737)	6,062,465
4.01			0	0
4.02			0	0
4.03			0	0
4.04			0	0
4.05			0	0
4.06			0	0
4.07			0	0
4.08			0	0
5.00	Employee Benefits		0	0
6.01	Non-Patient Telephones	625,229	508	625,737
6.02	Data Processing	6,527,619	924,962	7,452,581
6.03	Purchasing, Receiving, and Stores	2,007,193	551,760	2,558,953
6.04	Admitting		0	0
6.05	Cashiering/Accounts Receivable	6,774,979	0	6,774,979
6.06			0	0
6.07			0	0
6.08			0	0
6.00	Administrative and General	36,560,428	(9,831,969)	26,728,459
7.00	Maintenance and Repairs	5,158,879	952	5,159,831
8.00	Operation of Plant	6,483,027	25,005	6,508,032
9.00	Laundry and Linen Service	1,955,819	0	1,955,819
10.00	Housekeeping	8,368,509	610	8,369,119
11.00	Dietary	3,932,708	(6,815)	3,925,893
12.00	Cafeteria	2,672,764	11,911	2,684,675
13.00	Maintenance of Personnel		0	0
14.00	Nursing Administration	3,935,157	0	3,935,157
15.00	Central Services & Supply	2,177,087	370,910	2,547,997
16.00	Pharmacy	7,303,032	474,273	7,777,305
17.00	Medical Records and Library	5,935,214	0	5,935,214
18.00	Social Service	787,834	0	787,834
19.00			0	0
20.00			0	0
21.00			0	0
22.00	I&R Services - Salary and Fringes Approved	6,759,507	(234,107)	6,525,400
23.00	I&R Services - Other Program Costs Approved	5,694,216	0	5,694,216
24.00	Paramed Ed - School of Radiology	149,728	0	149,728
24.01	Paramed Ed - School of Anesthesia	108,602	0	108,602
24.02	Paramed Ed - School of Laboratory	36,391	0	36,391
	INPATIENT ROUTINE COST CENTERS			
25.00	Adults & Pediatrics (Gen Routine)	31,873,961	458,429	32,332,390
26.00	Intensive Care Unit	9,652,386	189,149	9,841,535
27.00	Coronary Care Unit		0	0
28.00	Burn Intensive Care Unit	3,612,198	77,156	3,689,354
29.00	Surgical Intensive Care Unit	5,673,484	113,139	5,786,623
30.00	Neonatal Intensive Care Unit	6,098,851	49,526	6,148,377
31.00	Subprovider	9,118,869	(138,321)	8,980,548
32.00			0	0
33.00	Nursery	2,843,984	(329)	2,843,655
34.00	Medicare Certified Nursing Facility		0	0
35.00	Distinct Part Nursing Facility		0	0
36.00	Adult Subacute Care Unit		0	0
36.01	Subacute Care Unit II		0	0
36.02	Transitional Care Unit		0	0

TRIAL BALANCE OF EXPENSES

Provider Name:
ARROWHEAD REGIONAL MEDICAL CENTER

Fiscal Period Ended:
JUNE 30, 2007

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	ANCILLARY COST CENTERS			
37.00	Operating Room	\$ 8,533,140	\$ 57,645	\$ 8,590,785
38.00	Recovery Room		0	0
39.00	Delivery Room and Labor Room	6,462,274	251,605	6,713,879
40.00	Anesthesiology		0	0
41.00	Radiology - Diagnostic	7,584,071	928,348	8,512,419
41.01	Ultra Sound	687,469	26,517	713,986
41.02			0	0
42.00	Radiology - Therapeutic	752,999	0	752,999
43.00	Radioisotope	224,078	218,299	442,377
44.00	Laboratory	11,509,889	509,747	12,019,636
45.00	PBP Clinical Lab Services		0	0
46.00	Whole Blood and Packed Red Blood Cells	2,660,564	0	2,660,564
47.00	Blood Storing, Processing, and Transport		0	0
49.00	Respiratory Therapy	6,286,952	(145,069)	6,141,883
49.01	Pulmonary Function	145,814	(2,694)	143,120
50.00	Physical Therapy	1,911,654	(3,303)	1,908,351
51.00	Occupational Therapy	740,208	(3,303)	736,905
52.00	Speech Pathology	259,375	0	259,375
53.00	Electrocardiology	1,722,050	(748)	1,721,302
54.00	Electroencephalography	422,843	(20,942)	401,901
55.00	Medical Supplies Charged to Patients	27,711,366	(1,366,444)	26,344,922
56.00	Drugs Charged to Patients	22,223,737	473,226	22,696,963
57.00	Renal Dialysis	1,948,081	(518)	1,947,563
58.00	ASC (Non-Distinct Part)	3,806,405	(32,435)	3,773,970
59.00			0	0
59.01			0	0
59.02			0	0
59.03			0	0
60.00	Clinic	11,386,478	3,036,610	14,423,088
60.01	Psych AES Unit	4,636,064	(103,016)	4,533,048
61.00	Emergency	11,722,934	334,555	12,057,489
62.00	Observation Beds (Non-Distinct Part)		0	0
71.00	Home Health Agency	1,297,126	(3,948)	1,293,178
82.00			0	0
83.00	Kidney Acquisition	345,716	0	345,716
84.00			0	0
85.00			0	0
86.00			0	0
	SUBTOTAL	\$ 371,853,201	\$ (11,642,112)	\$ 360,211,089
	NONREIMBURSABLE COST CENTERS			
96.00	Gift, Flower, Coffee Shop & Canteen		0	0
97.00	Research		0	0
98.00	Physicians' Private Office		0	0
99.00	Nonpaid Workers		0	0
99.01	Marketing and Public Relations		516,070	516,070
99.02			0	0
99.03			0	0
99.04			0	0
99.05			0	0
100.00	Other Nonreimbursable Cost Centers		0	0
100.01	Other Nonreimbursable Cost Centers	309,062	25	309,087
100.02	Unused Space		0	0
100.03			0	0
100.04			0	0
100.99	SUBTOTAL	\$ 309,062	\$ 516,095	\$ 825,157
101	TOTAL	\$ 372,162,263	\$ (11,126,017)	\$ 361,036,246

(To Schedule 8)

[illegible]

Provider Name:

ARROWHEAD REGIONAL MEDICAL CENTER

[illegible]

Provider Name ARROWHEAD REGIONAL MEDICAL CENTER							Fiscal Period JULY 1, 2006 THROUGH JUNE 30, 2007			Provider Number HSC 30245W		Adjustments 36
Report References												
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.	Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
<p align="center">MEMORANDUM ADJUSTMENT</p> <p>1. The Psychiatric cost was reported in the cost report on Subprovider, line 31. This cost will be combined with Adults and Pediatrics, on line 25, after step-down, because the patients have a short term length of stay less than 30 days. This is done in accordance with 42 CFR 413.20, 413.24, and 413.53(b) CMS Pub. 15-1, Sections 2202.7, 2304, 2336, and 2404</p> <p>No additional adjustments will be made to reclassify these costs and statistics in the reported cost report format. For patient days relating to Subprovider above, refer to adjustment 20.</p>												

Provider Name							Fiscal Period	Provider Number		Adjustments
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007	HSC 30245W		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>										
2	10A	A			3.00	7	New Capital Related Costs - Building and Fixtures	\$43,676,057	(\$361,246)	\$43,314,811 *
	10A	A			6.06	7	Other Administrative and General	36,560,428	19,352	36,579,780 *
	10A	A			60.00	7	Clinic	11,386,478	341,894	11,728,372 *
To reverse the provider's reclassification of departmental building rental expense in order to directly assign the costs.										
42 CFR 413.24										
CMS Pub. 15-1, Sections 2302.4A, 2304, and 2307A										
3	10A	A			4.00	7	New Capital Related Costs - Movable Equipment	\$10,368,202	(\$4,286,877)	\$6,081,325 *
	10A	A			6.01	7	Non-Patient Telephones	625,229	508	625,737
	10A	A			6.02	7	Data Processing	6,527,619	924,962	7,452,581
	10A	A			6.03	7	Purchasing, Receiving and Stores	2,007,193	551,759	2,558,952 *
	10A	A			6.06	7	Other Administrative and General	36,579,780	19,295	36,599,075 *
	10A	A			7.00	7	Maintenance and Repairs	5,158,879	952	5,159,831
	10A	A			8.00	7	Operation of Plant	6,483,027	25,005	6,508,032
	10A	A			10.00	7	Housekeeping	8,368,509	610	8,369,119
	10A	A			11.00	7	Dietary	3,932,708	5,102	3,937,810 *
	10A	A			15.00	7	Central Services and Supply	2,177,087	373,703	2,550,790 *
	10A	A			16.00	7	Pharmacy	7,303,032	474,273	7,777,305 *
	10A	A			25.00	7	Adults and Pediatrics	31,873,961	459,397	32,333,358 *
	10A	A			26.00	7	Intensive Care Unit	9,652,386	201,771	9,854,157 *
	10A	A			28.00	7	Burn Intensive Care Unit	3,612,198	98,989	3,711,187 *
	10A	A			29.00	7	Surgical Intensive Care Unit	5,673,484	113,139	5,786,623 *
	10A	A			30.00	7	Neonatal Intensive Care Unit	6,098,851	53,348	6,152,199 *
	10A	A			33.00	7	Nursery	2,843,984	3,240	2,847,224 *
	10A	A			37.00	7	Operating Room	8,533,140	63,638	8,596,778 *
	10A	A			39.00	7	Delivery Room and Labor Room	6,462,274	266,148	6,728,422 *
	10A	A			41.00	7	Radiology - Diagnostic	7,584,071	6,300	7,590,371 *
	10A	A			41.01	7	Ultra Sound	687,469	26,297	713,766 *
	10A	A			44.00	7	Laboratory	11,509,889	564,675	12,074,564 *
	10A	A			49.00	7	Respiratory Therapy	6,286,952	33,456	6,320,408 *
	10A	A			57.00	7	Renal Dialysis	1,948,081	1,705	1,949,786 *
-Continued on next page-										
*Balance carried forward from prior/to subsequent adjustments										
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*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider Number	Adjustments		
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007	HSC 30245W	36		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
RECLASSIFICATIONS OF REPORTED COSTS											
-Continued from previous page-											
3	10A	A			60.00	7	Clinic	*	\$11,728,372	\$11,498	\$11,739,870 *
	10A	A			61.00	7	Emergency		11,722,934	7,107	11,730,041 *
To reverse the provider's reclassification of departmental equipment rental expense in order to directly assign the costs.											
42 CFR 413.24											
CMS Pub. 15-1, Sections 2302.4A, 2304, and 2307A											
4	10A	A			6.03	7	Purchasing, Receiving and Stores	*	\$2,558,952	(\$7)	\$2,558,945 *
	10A	A			11.00	7	Dietary	*	3,937,810	(6)	3,937,804 *
	10A	A			15.00	7	Central Services and Supply	*	2,550,790	(6,411)	2,544,379 *
	10A	A			16.00	7	Pharmacy	*	7,777,305	(202,850)	7,574,455 *
	10A	A			25.00	7	Adults and Pediatrics	*	32,333,358	(68,807)	32,264,551 *
	10A	A			26.00	7	Intensive Care Unit	*	9,854,157	(17,294)	9,836,863 *
	10A	A			28.00	7	Burn Intensive Care Unit	*	3,711,187	(5,559)	3,705,628 *
	10A	A			29.00	7	Surgical Intensive Care Unit	*	5,786,623	(17,345)	5,769,278 *
	10A	A			30.00	7	Neonatal Intensive Care Unit	*	6,152,199	(2,622)	6,149,577 *
	10A	A			31.00	7	Subprovider	*	9,118,869	(29)	9,118,840 *
	10A	A			37.00	7	Operating Room	*	8,596,778	(83,833)	8,512,945 *
	10A	A			39.00	7	Delivery Room and Labor Room	*	6,728,422	(14,169)	6,714,253 *
	10A	A			41.00	7	Radiology - Diagnostic	*	7,590,371	(2,057)	7,588,314 *
	10A	A			41.01	7	Ultra Sound	*	713,766	(48)	713,718 *
	10A	A			44.00	7	Laboratory	*	12,074,564	(6)	12,074,558 *
	10A	A			46.00	7	Whole Blood and Packed Red Blood Cells	*	2,660,564	(83)	2,660,481 *
	10A	A			49.00	7	Respiratory Therapy	*	6,320,408	(318)	6,320,090 *
	10A	A			49.01	7	Pulmonary Therapy	*	145,814	(1)	145,813 *
	10A	A			50.00	7	Physical Therapy	*	1,911,654	(225)	1,911,429 *
	10A	A			51.00	7	Occupational Therapy	*	740,208	(1)	740,207 *
	10A	A			53.00	7	Electrocardiology	*	1,722,050	(1,900)	1,720,150 *
	10A	A			57.00	7	Renal Dialysis	*	1,949,786	(5,844)	1,943,942 *
	10A	A			60.00	7	Clinic	*	11,739,870	(5,740)	11,734,130 *
	10A	A			61.00	7	Emergency	*	11,730,041	(38,038)	11,692,003 *
	10A	A			71.00	7	Home Health Agency	*	1,297,126	(33)	1,297,093 *
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*Balance carried forward from prior/to subsequent adjustments											
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Provider Name							Fiscal Period		Provider Number		Adjustments
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007		HSC 30245W		36
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Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
RECLASSIFICATIONS OF REPORTED COSTS											
-Continued from previous page-											
4	10A	A			56.00	7	Drugs Charged to Patients		\$22,223,737	\$473,226	\$22,696,963
							To adjust the provider's reclassification of drugs charged to patients to agree with the provider's general ledger.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				
5	10A	A			6.06	7	Other Administrative and General	*	\$36,599,075	(\$2,413,399)	\$34,185,676 *
	10A	A			60.00	7	Clinic	*	11,734,130	2,413,399	14,147,529 *
							To reclassify outpatient purchased services to the Clinic cost center.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300, 2302.4, 2302.8, and 2304				
6	10A	A			6.06	7	Other Administrative and General	*	\$34,185,676	(\$516,070)	\$33,669,606 *
	10A	A			99.01	7	Marketing and Public Relations		0	516,070	516,070
							To reclassify marketing, advertising and public relations expenses to a nonreimbursable cost center.				
							42 CFR 413.15, 413.9, and 413.24				
							CMS Pub. 15-1, Sections 2136.2, 2328, and 2304				
7	10A	A			11.00	7	Dietary	*	\$3,937,804	(\$11,911)	\$3,925,893
	10A	A			12.00	7	Cafeteria		2,672,764	11,911	2,684,675
							To reclassify costs from Dietary to Cafeteria for proper cost allocation.				
							42 CFR 413.20, 413.24, and 413.50				
							CMS Pub. 15-1, Sections 2300, 2302.4B, 2304, and 2306				
*Balance carried forward from prior/to subsequent adjustments											
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Provider Name							Fiscal Period	Provider Number		Adjustments	
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007	HSC 30245W		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
RECLASSIFICATIONS OF REPORTED COSTS											
8	10A	A			22.00	7	Interns and Residents Services - Salary and Fringes Approved		\$6,759,507	(\$234,107)	\$6,525,400
	10A	A			25.00	7	Adults and Pediatrics	*	32,264,551	(969)	32,263,582 *
	10A	A			26.00	7	Intensive Care Unit	*	9,836,863	(12,623)	9,824,240 *
	10A	A			28.00	7	Burn Intensive Care Unit	*	3,705,628	(21,833)	3,683,795 *
	10A	A			30.00	7	Neonatal Intensive Care Unit	*	6,149,577	(3,822)	6,145,755 *
	10A	A			31.00	7	Subprovider	*	9,118,840	(138,292)	8,980,548 *
	10A	A			33.00	7	Nursery	*	2,847,224	(3,598)	2,843,626 *
	10A	A			39.00	7	Delivery Room and Labor Room	*	6,714,253	(14,543)	6,699,710 *
	10A	A			44.00	7	Laboratory	*	12,074,558	(48,915)	12,025,643 *
	10A	A			49.00	7	Respiratory Therapy	*	6,320,090	(2,458)	6,317,632 *
	10A	A			49.01	7	Pulmonary Function	*	145,813	(2,457)	143,356 *
	10A	A			50.00	7	Physical Therapy	*	1,911,429	(3,303)	1,908,126 *
	10A	A			51.00	7	Occupational Therapy	*	740,207	(3,303)	736,904 *
	10A	A			53.00	7	Electrocardiology	*	1,720,150	(64,377)	1,655,773 *
	10A	A			54.00	7	Electroencephalography	*	422,843	(20,942)	401,901 *
	10A	A			57.00	7	Renal Dialysis	*	1,943,942	(2,223)	1,941,719 *
	10A	A			58.00	7	ASC (Non-Distinct Part)	*	3,806,405	(53,714)	3,752,691 *
	10A	A			60.01	7	Psych AES Unit	*	4,636,064	(103,017)	4,533,047 *
	10A	A			37.00	7	Operating Room	*	8,512,945	17,804	8,530,749 *
	10A	A			41.00	7	Radiology - Diagnostic	*	7,588,314	117,125	7,705,439 *
	10A	A			60.00	7	Clinic	*	14,147,529	272,024	14,419,553 *
	10A	A			61.00	7	Emergency	*	11,692,003	327,543	12,019,546 *
To adjust the provider's reclassification of malpractice insurance costs to agree with the provider's general ledger. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304											

*Balance carried forward from prior/to subsequent adjustments

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*Balance carried forward from prior/to subsequent adjustments

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Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
RECLASSIFICATIONS OF REPORTED COSTS										
9	10A	A		44.00	7	Laboratory	*	\$12,025,643	(\$6,007)	\$12,019,636
	10A	A		49.00	7	Respiratory Therapy	*	6,317,632	(175,749)	6,141,883
	10A	A		49.01	7	Pulmonary Function	*	143,356	(236)	143,120
	10A	A		55.00	7	Medical Supplies Charged to Patients	*	27,711,366	(1,366,444)	26,344,922
	10A	A		71.00	7	Home Health Agency	*	1,297,093	(3,915)	1,293,178
	10A	A		6.03	7	Purchasing, Receiving and Stores	*	2,558,945	8	2,558,953
	10A	A		15.00	7	Central Services and Supply	*	2,544,379	3,618	2,547,997
	10A	A		16.00	7	Pharmacy	*	7,574,455	202,850	7,777,305
	10A	A		25.00	7	Adults and Pediatrics	*	32,263,582	68,808	32,332,390
	10A	A		26.00	7	Intensive Care Unit	*	9,824,240	17,295	9,841,535
	10A	A		28.00	7	Burn Intensive Care Unit	*	3,683,795	5,559	3,689,354
	10A	A		29.00	7	Surgical Intensive Care Unit	*	5,769,278	17,345	5,786,623
	10A	A		30.00	7	Neonatal Intensive Care Unit	*	6,145,755	2,622	6,148,377
	10A	A		33.00	7	Nursery	*	2,843,626	29	2,843,655
	10A	A		37.00	7	Operating Room	*	8,530,749	60,036	8,590,785
	10A	A		39.00	7	Delivery Room and Labor Room	*	6,699,710	14,169	6,713,879
	10A	A		41.00	7	Radiology - Diagnostic	*	7,705,439	806,980	8,512,419
	10A	A		41.01	7	Ultra Sound	*	713,718	268	713,986
	10A	A		43.00	7	Radioisotope	*	224,078	218,299	442,377
	10A	A		46.00	7	Whole Blood and Packed Red Blood Cells	*	2,660,481	83	2,660,564
	10A	A		50.00	7	Physical Therapy	*	1,908,126	225	1,908,351
	10A	A		51.00	7	Occupational Therapy	*	736,904	1	736,905
	10A	A		53.00	7	Electrocardiology	*	1,655,773	65,529	1,721,302
	10A	A		57.00	7	Renal Dialysis	*	1,941,719	5,844	1,947,563
	10A	A		58.00	7	ASC (Non-Distinct Part)	*	3,752,691	21,279	3,773,970
	10A	A		60.00	7	Clinic	*	14,419,553	3,535	14,423,088
	10A	A		60.01	7	Psych AES Unit	*	4,533,047	1	4,533,048
	10A	A		61.00	7	Emergency	*	12,019,546	37,943	12,057,489
	10A	A		100.01	7	Other Nonreimbursable Cost Centers		309,062	25	309,087
<p>To adjust provider's reclassification of medical supplies charged to patients to agree with the provider's general ledger.</p> <p>42 CFR 413.20 and 413.24</p> <p>CMS Pub. 15-1, Sections 2300 and 2304</p>										

*Balance carried forward from prior to subsequent adjustments
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Provider Name							Fiscal Period		Provider Number		Adjustments	
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Report References							Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
ADJUSTMENTS TO REPORTED COSTS												
10	10A	A			3.00	7	New Capital Related Costs - Building and Fixtures To adjust provider's reclassification of interest expenses due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	\$43,314,811	(\$725,315)	\$42,589,496 *	
11	10A	A			3.00	7	New Capital Related Costs - Building and Fixtures	*	\$42,589,496	(\$3,440,695)	\$39,148,801	
	10A	A			4.00	7	New Capital Related Costs - Movable Equipment To abate interest income against interest expense. 42 CFR 413.153(b)(2)(ii) / CMS Pub. 15-1, Section 202.2 CMS Pub. 15-2, Section 3613	*	6,081,325	(18,860)	6,062,465	
	10A	A			6.06	7	Other Administrative and General	*	\$33,669,606			
12							To eliminate year end adjustments for county transfers asset reserve recorded as administrative expenses in order to agree with the provider's supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			(\$6,800,000)		
13							To eliminate outpatient ambulance costs which have been claimed and included for inpatient reimbursement. 42 CFR 413.9 / CMS Pub. 15-1, Sections 2104.1 and 2215 CCR, Title 22, Section 51527			(141,147) (\$6,941,147)	\$26,728,459	
*Balance carried forward from prior/to subsequent adjustments												
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Report References										
Adj. No.	Audit Report	Cost Report								
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							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
ADJUSTMENTS TO REPORTED COSTS										
14	8	B	I		25.00	26	Adults and Pediatrics	(\$9,272,662)	\$9,272,662	\$0
	8	B	I		26.00	26	Intensive Care Unit	(1,010,058)	1,010,058	0
	8	B	I		28.00	26	Burn Intensive Care Unit	(629,216)	629,216	0
	8	B	I		29.00	26	Surgical Intensive Care Unit	(579,541)	579,541	0
	8	B	I		33.00	26	Nursery	(761,683)	761,683	0
	8	B	I		37.00	26	Operating Room	(2,086,349)	2,086,349	0
	8	B	I		41.01	26	Ultra Sound	(231,816)	231,816	0
	8	B	I		44.00	26	Laboratory	(33,117)	33,117	0
	8	B	I		49.00	26	Respiratory Therapy	(115,909)	115,909	0
	8	B	I		60.00	26	Clinic	(1,672,391)	1,672,391	0
	8	B	I		61.00	26	Emergency	(165,583)	165,583	0
	8	B	I		103.00	26	Total	(16,558,325)	16,558,325	0
To reverse the provider's step-down adjustment relating to teaching cost for interns and residents.										
42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Section 2304										

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Provider Name							Fiscal Period	Provider Number		Adjustments
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Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
<u>ADJUSTMENTS TO REPORTED STATISTICS</u>										
15	9	B-1			49.00	3,7,8	Respiratory Therapy (Square Feet)	0	3,868	3,868
	9	B-1			49.01	3,7,8	Pulmonary Function	3,868	(2,819)	1,049
	9	B-1			50.00	3,7,8	Physical Therapy	1,049	6,080	7,129
	9	B-1			51.00	3,7,8	Occupational Therapy	7,129	(6,849)	280
	9	B-1			53.00	3,7,8	Electrocardiology	0	3,322	3,322
	9	B-1			54.00	3,7,8	Electroencephalography	3,322	(1,458)	1,864
	9	B-1			55.00	3,7,8	Medical Supplies Charged to Patients	1,864	(1,864)	0
	9	B-1			3.00	3	Total - Square Feet	925,372	280	925,652 *
	9	B-1			7.00	7	Total - Square Feet	874,512	280	874,792 *
	9	B-1			8.00	8	Total - Square Feet	672,225	280	672,505 *
To establish the correct square footage in order to properly allocate indirect costs. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306										
16	9	B-1			6.06	3	Other Administrative and General (Square Feet)	12,756	(562)	12,194
	9	B-1			99.01	3,7,8	Marketing and Public Relations	0	562	562
	9	B-1			7.00	7	Total - Square Feet	* 874,792	562	875,354 *
	9	B-1			8.00	8	Total - Square Feet	* 672,505	562	673,067 *
To reclassify marketing and public relations square footage to a nonreimbursable cost center. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2306 and 2328										
17	9	B-1			12.00	3,7,8	Cafeteria (Square Feet)	17,785	738	18,523
	9	B-1			23.00	3,7,8	Interns and Residents-Other Program Costs Approved	12,897	618	13,515
	9	B-1			57.00	3,7,8	Renal Dialysis	1,356	(1,356)	0
To establish the correct square footage in order to properly allocate indirect costs and to agree with the prior year audit report 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306										
*Balance carried forward from prior/to subsequent adjustments										
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*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider Number		Adjustments
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007	HSC 30245W		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
ADJUSTMENTS TO REPORTED STATISTICS										
18	9	B-1			100.02	3,7,8	Unused Space (Square Feet)	0	28,546	28,546
	9	B-1			3.00	3	Total - Square Feet	*	925,652	28,546
	9	B-1			7.00	7	Total - Square Feet	*	875,354	28,546
	9	B-1			8.00	8	Total - Square Feet	*	673,067	28,546
To establish the correct square footage in order to properly allocate indirect costs and to agree with the prior year audit report. 42 CFR 413.20, 413.24, and 413.50 CMS Pub. 15-1, Sections 2300, 2304, 2306, and 2328										
19	9	B-1			25.00	6.04	Adults and Pediatrics (Gross Inpatient Revenue)	100,316,904	(988,586)	99,328,318
	9	B-1			26.00	6.04	Intensive Care Unit	26,632,250	(500,408)	26,131,842
	9	B-1			29.00	6.04	Surgical Intensive Care Unit	22,401,866	(38,252)	22,363,614
	9	B-1			37.00	6.04	Operating Room	63,684,640	104,736	63,789,376
	9	B-1			6.04	6.04	Total - Gross Inpatient Revenue	689,164,847	(1,422,510)	687,742,337
To adjust gross inpatient revenue statistics to agree with the provider's records. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306										

*Balance carried forward from prior/to subsequent adjustments

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Provider Name							Fiscal Period	Provider Number		Adjustments
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007	HSC 30245W		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
ADJUSTMENTS TO REPORTED PATIENT DAYS										
20	4, Desig Pub Hosp 4	D-1	I		1.00	1	Adults and Pediatrics - Total	68,414	18,812	87,226 *
	4, Desig Pub Hosp 4	D-1	I		3.00	1	Adults and Pediatrics - Private Room Days	68,414	18,812	87,226 *
	N/A	S-3	I		14.00	6	Subprovider - Total	18,812	(18,812)	0
To reclassify Subprovider Psychiatric total inpatient days to Adults and Pediatrics in conjunction with adjustment 1. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2300 and 2336.1										
21	4, Desig Pub Hosp 4	D-1	I		1.00	1	Adults and Pediatrics - Total	* 87,226	1,196	88,422
	4, Desig Pub Hosp 4	D-1	I		3.00	1	Adults and Pediatrics - Private Room Days	* 87,226	1,196	88,422
	4A, Desig Pub Hosp 4A	D-1	II		42.00	2	Nursery - Total	8,111	(609)	7,502
	4A, Desig Pub Hosp 4A	D-1	II		43.00	2	Intensive Care Unit - Total	6,208	(497)	5,711
	4A, Desig Pub Hosp 4A	D-1	II		46.00	2	Surgical Intensive Care Unit - Total	4,992	(78)	4,914
To adjust total patient days to agree with the provider's hospital census records, and to reflect the change in the private room days. 42 CFR 413.20, 413.24, and 413.50 CMS Pub. 15-1 Sections 2205, 2300, and 2304										

*Balance carried forward from prior/to subsequent adjustments

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*Balance carried forward from prior/to subsequent adjustments

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Report References											
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
							Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
ADJUSTMENT TO REPORTED TOTAL CHARGES											
22	5, Desig Pub Hosp 5	C	I	37.00	8	Operating Room	\$72,936,474	(\$9,147,098)	\$63,789,376		
	5, Desig Pub Hosp 5	C	I	58.00	8	ASC (Non-Distinct Part)	20,023,652	9,251,634	29,275,286		
	5, Desig Pub Hosp 5	C	I	103.00	8	Total Ancillary Charges	818,428,763	104,536	818,533,299		
To adjust total charges to agree with the provider's records.											
42 CFR 413.20, 413.24, and 413.50											
CMS Pub. 15-1, Sections 2204, 2206, 2300, and 2304											

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Provider Name							Fiscal Period	Provider Number		Adjustments
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007	HSC 30245W		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT										
23	4	D-1	I	V	9.00	I	Medi-Cal Days - Adults and Pediatrics	622	(622)	0
24	6	D-4		V	37.00	2	Medi-Cal Ancillary Charges - Operating Room	\$10,666	(\$10,666)	\$0
	6	D-4		V	39.00	2	Medi-Cal Ancillary Charges - Delivery Room and Labor Room	9,694	(9,694)	0
	6	D-4		V	41.00	2	Medi-Cal Ancillary Charges - Radiology - Diagnostic	14,459	(14,459)	0
	6	D-4		V	41.01	2	Medi-Cal Ancillary Charges - Ultra Sound	3,619	(3,619)	0
	6	D-4		V	44.00	2	Medi-Cal Ancillary Charges - Laboratory	126,752	(126,752)	0
	6	D-4		V	46.00	2	Medi-Cal Ancillary Charges - Whole Blood and Packed Red Blood Cells	1,779	(1,779)	0
	6	D-4		V	49.00	2	Medi-Cal Ancillary Charges - Respiratory Therapy	21,481	(21,481)	0
	6	D-4		V	50.00	2	Medi-Cal Ancillary Charges - Physical Therapy	35,007	(35,007)	0
	6	D-4		V	51.00	2	Medi-Cal Ancillary Charges - Occupational Therapy	7,228	(7,228)	0
	6	D-4		V	52.00	2	Medi-Cal Ancillary Charges - Speech Pathology	2,126	(2,126)	0
	6	D-4		V	53.00	2	Medi-Cal Ancillary Charges - Electrocardiology	4,545	(4,545)	0
	6	D-4		V	55.00	2	Medi-Cal Ancillary Charges - Medical Supplies Charged to Patients	164,026	(164,026)	0
	6	D-4		V	56.00	2	Medi-Cal Ancillary Charges - Drugs Charged to Patients	172,241	(172,241)	0
	6	D-4		V	57.00	2	Medi-Cal Ancillary Charges - Renal Dialysis	3,010	(3,010)	0
	6	D-4		V	60.00	2	Medi-Cal Ancillary Charges - Clinic	203	(203)	0
	6	D-4		V	61.00	2	Medi-Cal Ancillary Charges - Emergency	172	(172)	0
6	D-4		V	101.00	2	Medi-Cal Ancillary Charges - Total	577,008	(577,008)	0	
25	2	E-3	III	V	10.00	1	Medi-Cal Routine Service Charges	\$939,842	(\$939,842)	\$0
	2	E-3	III	V	11.00	1	Medi-Cal Ancillary Service Charges	577,008	(577,008)	0
26	1	E-3	III	V	57.00	1	Medi-Cal Interim Payments	\$313,920	(\$313,920)	\$0
To adjust Medi-Cal Settlement Data to agree with the following EDS Paid Claims Summary: Report Date: May 15, 2009 Payment Period: July 1, 2006 through May 8, 2009 Service Period: July 1, 2006 through June 30, 2007 42 CFR 413.20, 413.50, 43.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2304, 2404, and 2408 CCR, Title 22, Section 51541										

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Provider Name							Fiscal Period	Provider Number		Adjustments
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007	HSC 30245W		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - DESIG PUB HOSP										
27	Desig Pub Hosp 4	D-1	I	XIX	9.00	1	Medi-Cal Days - Adults and Pediatrics	29,345	(2,174)	27,171 *
	Desig Pub Hosp 4A	D-1	II	XIX	42.00	4	Medi-Cal Days - Nursery	5,845	(243)	5,602
	Desig Pub Hosp 4A	D-1	II	XIX	43.00	4	Medi-Cal Days - Intensive Care Unit	2,321	(74)	2,247
	Desig Pub Hosp 4A	D-1	II	XIX	45.00	4	Medi-Cal Days - Burn Intensive Care Unit	738	(75)	663
	Desig Pub Hosp 4A	D-1	II	XIX	46.00	4	Medi-Cal Days - Surgical Intensive Care Unit	1,939	(50)	1,889
	Desig Pub Hosp 4B	D-1	II	XIX	47.00	4	Medi-Cal Days - Neonatal Intensive Care Unit	6,093	(284)	5,809
28	Desig Pub Hosp 6	D-4		XIX	37.00	2	Medi-Cal Ancillary Charges - Operating Room	\$20,065,852	\$621,882	\$20,687,734
	Desig Pub Hosp 6	D-4		XIX	39.00	2	Medi-Cal Ancillary Charges - Delivery Room and Labor Room	13,252,915	(3,693,063)	9,559,852
	Desig Pub Hosp 6	D-4		XIX	41.00	2	Medi-Cal Ancillary Charges - Radiology - Diagnostic	15,814,795	(3,377,421)	12,437,374 *
	Desig Pub Hosp 6	D-4		XIX	41.01	2	Medi-Cal Ancillary Charges - Ultra Sound	839,614	(196,720)	642,894 *
	Desig Pub Hosp 6	D-4		XIX	42.00	2	Medi-Cal Ancillary Charges - Radiology - Therapeutic	28,476	(9,273)	19,203
	Desig Pub Hosp 6	D-4		XIX	43.00	2	Medi-Cal Ancillary Charges - Radioisotope	155,189	(27,241)	127,948
	Desig Pub Hosp 6	D-4		XIX	44.00	2	Medi-Cal Ancillary Charges - Laboratory	25,844,669	(3,252,232)	22,592,437 *
	Desig Pub Hosp 6	D-4		XIX	46.00	2	Medi-Cal Ancillary Charges - Whole Blood and Packed Red Blood Cells	3,816,529	(1,168,726)	2,647,803
	Desig Pub Hosp 6	D-4		XIX	49.00	2	Medi-Cal Ancillary Charges - Respiratory Therapy	26,417,230	(2,071,297)	24,345,933
	Desig Pub Hosp 6	D-4		XIX	49.01	2	Medi-Cal Ancillary Charges - Pulmonary Function	3,587	633	4,220
	Desig Pub Hosp 6	D-4		XIX	50.00	2	Medi-Cal Ancillary Charges - Physical Therapy	1,182,022	68,833	1,250,855 *
	Desig Pub Hosp 6	D-4		XIX	51.00	2	Medi-Cal Ancillary Charges - Occupational Therapy	326,109	48,856	374,965 *
	Desig Pub Hosp 6	D-4		XIX	52.00	2	Medi-Cal Ancillary Charges - Speech Pathology	317,981	(173,859)	144,122 *
	Desig Pub Hosp 6	D-4		XIX	53.00	2	Medi-Cal Ancillary Charges - Electrocardiology	3,855,901	(1,093,109)	2,762,792
	Desig Pub Hosp 6	D-4		XIX	54.00	2	Medi-Cal Ancillary Charges - Electroencephalography	124,515	(94,544)	29,971
	Desig Pub Hosp 6	D-4		XIX	55.00	2	Medi-Cal Ancillary Charges - Medical Suplies Charged to Patients	39,223,955	(7,869,676)	31,354,279
	Desig Pub Hosp 6	D-4		XIX	56.00	2	Medi-Cal Ancillary Charges - Drugs Charged to Patients	32,572,258	(4,251,679)	28,320,579 *
	Desig Pub Hosp 6	D-4		XIX	57.00	2	Medi-Cal Ancillary Charges - Renal Dialysis	1,045,492	(240,887)	804,605
	Desig Pub Hosp 6	D-4		XIX	60.00	2	Medi-Cal Ancillary Charges - Clinic	134,798	(134,798)	0
	Desig Pub Hosp 6	D-4		XIX	60.01	2	Medi-Cal Ancillary Charges - Psych AES Unit	231,943	(231,943)	0
	Desig Pub Hosp 6	D-4		XIX	61.00	2	Medi-Cal Ancillary Charges - Emergency	8,426,558	(2,561,019)	5,865,539
	Desig Pub Hosp 6	D-4		XIX	101.00	2	Medi-Cal Ancillary Charges - Total	193,680,388	(29,707,283)	163,973,105 *
-Continued on next page-										
*Balance carried forward from prior/to subsequent adjustments										
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*Balance carried forward from prior/to subsequent adjustments

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Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - DESIG PUB HOSP										
-Continued from previous page-										
29	Desig Pub Hosp 2	E-3	III	XIX	10.00	1	Medi-Cal Routine Service Charges	\$115,813,563	(\$22,840,184)	\$92,973,379 *
	Desig Pub Hosp 2	E-3	III	XIX	11.00	1	Medi-Cal Ancillary Service Charges	193,680,388	(29,707,283)	163,973,105 *
30	Desig Pub Hosp 3	E-3	III	XIX	33.00	1	Medi-Cal Deductibles	\$298,677	\$17,846	\$316,523
	Desig Pub Hosp 3	E-3	III	XIX	36.00	1	Medi-Cal Coinsurance	163,310	154,178	317,488 *
	Desig Pub Hosp 1	E-3	III	XIX	57.00	1	Medi-Cal Interim Payments	114,304,191	(68,896,367)	45,407,824 *
To adjust Medi-Cal Settlement Data to agree with the following EDS Paid Claims Summary: Report Date: May 12, 2009 Payment Period: July 1, 2006 through May 8, 2009 Service Period: July 1, 2006 through June 30, 2007 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2304, 2404, and 2408 CCR, Title 22, Section 51541										

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Provider Name							Fiscal Period	Provider Number		Adjustments	
ARROWHEAD REGIONAL MEDICAL CENTER							JULY 1, 2006 THROUGH JUNE 30, 2007	HSC 30245W		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT											
31	Desig Pub Hosp 4	D-1	I	XIX	9.00	1	Medi-Cal Days - Adults and Pediatrics	*	27,171	1,091	28,262
32	Desig Pub Hosp 6	D-4		XIX	41.00	2	Medi-Cal Ancillary Charges - Radiology - Diagnostic	*	\$12,437,374	\$15,206	\$12,452,580
	Desig Pub Hosp 6	D-4		XIX	41.01	2	Medi-Cal Ancillary Charges - Ultra Sound	*	642,894	2,947	645,841
	Desig Pub Hosp 6	D-4		XIX	44.00	2	Medi-Cal Ancillary Charges - Laboratory	*	22,592,437	250,158	22,842,595
	Desig Pub Hosp 6	D-4		XIX	50.00	2	Medi-Cal Ancillary Charges - Physical Therapy	*	1,250,855	72,842	1,323,697
	Desig Pub Hosp 6	D-4		XIX	51.00	2	Medi-Cal Ancillary Charges - Occupational Therapy	*	374,965	14,153	389,118
	Desig Pub Hosp 6	D-4		XIX	52.00	2	Medi-Cal Ancillary Charges - Speech Therapy	*	144,122	3,648	147,770
	Desig Pub Hosp 6	D-4		XIX	56.00	2	Medi-Cal Ancillary Charges - Drugs Charged to Patients	*	28,320,579	375,119	28,695,698
	Desig Pub Hosp 6	D-4		XIX	101.00	2	Medi-Cal Ancillary Charges - Total	*	163,973,105	734,073	164,707,178
33	Desig Pub Hosp 2	E-3	III	XIX	10.00	1	Medi-Cal Routine Service Charges	*	\$92,973,379	\$1,657,027	\$94,630,406
	Desig Pub Hosp 2	E-3	III	XIX	11.00	1	Medi-Cal Ancillary Service Charges	*	163,973,105	734,073	164,707,178
34	Desig Pub Hosp 3	E-3	III	XIX	36.00	1	Medi-Cal Coinsurance	*	\$317,488	\$275	\$317,763
	Desig Pub Hosp 1	E-3	III	XIX	57.00	1	Medi-Cal Interim Payments	*	45,407,824	610,065	46,017,889
<p>To adjust Medi-Cal Settlement Data to agree with the following EDS Paid Claims Summary: Report Date: May 15, 2009 Payment Period: July 1, 2006 through May 8, 2009 Service Period: July 1, 2006 through June 30, 2007 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2304, 2404, and 2408 CCR, Title 22, Section 51541</p>											

*Balance carried forward from prior/to subsequent adjustments

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*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider Number		Adjustments
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							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
<u>ADJUSTMENTS TO OTHER MATTERS</u>												
35	1	E-3	III	V	54.00	1	Direct Graduate Medical Education Payments To eliminate direct graduate medical education payments that have been claimed and included for inpatient reimbursement. CCR, Title 22, Section 51458.1			\$240,522	(\$240,522)	\$0
36	Desig Pub Hosp 1	N/A					Credit Balances To recover outstanding Medi-Cal credit balances. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 50761 and 51458.1			\$0	\$97,825	\$97,825

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